

Casey	Johnson	Nelson (NE)
Cochran	Kennedy	Pryor
Coleman	Kerry	Reed
Collins	Klobuchar	Reid
Conrad	Kohl	Rockefeller
Corker	Landrieu	Salazar
Craig	Lautenberg	Sanders
Dole	Leahy	Schumer
Domenici	Levin	Smith
Dorgan	Lieberman	Snowe
Durbin	Lincoln	Specter
Feingold	Lott	Stabenow
Feinstein	Lugar	Stevens
Grassley	Martinez	Tester
Hagel	Menendez	Warner
Harkin	Mikulski	Webb
Hatch	Murkowski	Whitehouse
Hutchison	Murray	
Inouye	Nelson (FL)	

[Rollcall Vote No. 398 Leg.]

YEAS—79

Akaka	Feingold	Menendez
Alexander	Feinstein	Mikulski
Baucus	Graham	Murkowski
Bayh	Grassley	Murray
Bennett	Hagel	Nelson (FL)
Bingaman	Harkin	Nelson (NE)
Bond	Hatch	Pryor
Boxer	Hutchison	Reed
Brown	Inouye	Reid
Burr	Isakson	Roberts
Byrd	Johnson	Rockefeller
Cantwell	Kennedy	Salazar
Cardin	Kerry	Sanders
Carper	Klobuchar	Schumer
Casey	Kohl	Smith
Cochran	Kyl	Snowe
Coleman	Landrieu	Specter
Collins	Lautenberg	Stabenow
Conrad	Leahy	Stevens
Corker	Levin	Tester
Cornyn	Lieberman	Thune
Craig	Lincoln	Voinovich
Crapo	Lott	Warner
Dole	Lugar	Webb
Domenici	Martinez	Whitehouse
Dorgan	McCaskill	
Durbin	McConnell	

NOT VOTING—9

Biden	Graham	Sessions
Clinton	McCain	Vitter
Dodd	Obama	Wyden

The amendment (No. 3474) was rejected.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

Mr. LIEBERMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on Calendar No. 158, S. 294, AMTRAK Reauthorization.

Frank R. Lautenberg, Trent Lott, Joe Lieberman, Benjamin L. Cardin, S. Whitehouse, Robert Menendez, Daniel K. Inouye, Susan M. Collins, Mike Crapo, Larry E. Craig, John Warner, Byron L. Dorgan, Gordon H. Smith, Max Baucus, Bill Nelson, Robert P. Casey, Jr., Harry Reid.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call is waived.

The question is, Is it the sense of the Senate that debate on S. 294, a bill to reauthorize Amtrak, and for other purposes, shall be brought to a close? The yeas and nays are mandatory under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from Illinois (Mr. OBAMA), and the Senator from Oregon (Mr. WYDEN) are necessarily absent.

Mr. LOTT. The following Senators are necessarily absent: the Senator from Arizona (Mr. MCCAIN), the Senator from Alabama (Mr. SESSIONS), and the Senator from Louisiana (Mr. VITTER).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 79, nays 13, as follows:

NAYS—13

Allard	Coburn	Inhofe
Barrasso	DeMint	Shelby
Brownback	Ensign	Sununu
Bunning	Enzi	
Chambliss	Gregg	

NOT VOTING—8

Biden	McCain	Vitter
Clinton	Obama	Wyden
Dodd	Sessions	

The PRESIDING OFFICER. On this vote, the yeas are 79, the nays are 13. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the time during the recess period count postcloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:32 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. SALAZAR).

Mr. LAUTENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Mississippi.

PASSENGER RAIL INVESTMENT AND IMPROVEMENT ACT OF 2007—Continued

Mr. LOTT. Mr. President, we are working with the distinguished chair-

man of the subcommittee and the leadership on both sides to get an agreement worked out on how we proceed on this issue for the remainder of the afternoon. In the meantime, Senator DEMINT is here and ready to go on an amendment, and he has a committee markup underway also.

So unless there is objection, I ask Senator LAUTENBERG, could we let Senator DEMINT call up his amendment and go ahead and have a discussion on it?

Mr. LAUTENBERG. I agree.

Mr. LOTT. I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. DEMINT. Mr. President, I thank the Senators.

AMENDMENT NO. 3467

I would like to discuss amendment No. 3467. Before I discuss the amendment specifically, I would like to talk a little bit about rail passenger service in America and Amtrak specifically.

I think one of the best infrastructure visions we could have as a country today would be to create high-speed passenger rail service that moves people economically and efficiently around the country. The irony is, as long as we continue to pour our Federal resources into the Amtrak model, we will never get to that vision of an efficient passenger rail service in this country.

It is clear from years of working with Amtrak and the model of using freight rails and Government subsidies to support an Amtrak system, we will never have a world-class passenger rail service through the Amtrak model. So I hope we as a Congress, as a Senate, particularly, can come to terms with the fact that if we continue to throw money at Amtrak, we will never have efficient passenger rail service.

Certainly, there are a couple of lines of rail service of Amtrak, particularly in the Northeast, that work well for a number of people. But the fact is, many Americans are contributing to the few passengers who are using Amtrak today. Taxpayers all over the country are putting their money into these few lines that work, even though very few Americans actually ever use these rail services.

As we discuss this final bill, it is important we remember that in the last year the Federal Government gave Amtrak \$1.3 billion in subsidies, even though they carry less than 1 percent of the Nation's intercity passengers.

Amtrak is the most heavily subsidized mode of transportation in the country. In fact, every ticket people purchase from Amtrak has an average subsidy of over \$210 per passenger per 1,000 miles traveled. We even have some lines where the subsidy reaches as high as \$500.

My amendment does not change this. But it tells America the truth about the subsidies for each of these tickets people buy.

My amendment requires Amtrak to put on every ticket for the line they

are using the amount of subsidy the taxpayers are putting into the cost of each of these tickets. By doing this, we will force Amtrak to do what all businesses have to do, which is to track the real cost of every product they sell.

Right now, it is very difficult to determine actually how much Amtrak spends on each of its lines of service. But by requiring they put the cost of the subsidy on every ticket, they will have to calculate the cost—which is the revenue and the losses—for each line in this country.

Every business should have to do it. Amtrak should as well.

It is the only way we can get a handle on actually how much we are spending for each line and hopefully determining, after a while, which lines make sense to continue and which lines should be eliminated.

So I encourage all my colleagues to vote for this amendment. It does not do anything to reduce funding for Amtrak or put any additional restrictions on them. But it does require them to show America what the real subsidy is for every ticket they sell.

So I say to you, Mr. Chairman, I reserve the remainder of my time and look forward to your comments. Hopefully, we will have your support on this amendment.

The PRESIDING OFFICER. The majority leader is recognized.

CHIP

Mr. REID. Mr. President, I have had a number of conversations over the last 24 hours with the Speaker, Speaker PELOSI, with the Democratic leader, STENY HOYER, Senator HATCH, Senator GRASSLEY, and others who have indicated on the CHIP matter they need more time, they have had conversations with Republican House Members who voted not to override the President's veto, they are having conversations with people within the administration, trying to come up with something on CHIP, and they need more time.

My first inclination, after having heard this, was, well, we have waited long enough. But after having spoken to these Senators—Senator HATCH, especially, has been working hard. They have already had meetings with Republican House Members. Senator BAUCUS, I have spoken to him at great length, and he is also having meetings with some of the Republicans in the House to see if there is something that can be worked out. I do not know if there can be.

But what we have done with the matter that will shortly be before the Senate: As to childless adults who are in the program now, under the original bill we passed, they would be phased out in 2 years. In the bill that is now before this body—or shortly will be—they are phased out over 1 year. So we cut that in half.

Ninety-two percent of the people drawing benefits—and the “people” are little people, are children drawing benefits from this program—92 percent of

them are in families not exceeding 200 percent of poverty. And 200 percent of poverty is about \$40,000 a year for a family of four. We have only one State above 300 percent of poverty, and there are maybe five or six States from 200 percent to 300 percent of poverty. So we have said there will be no waivers above 300 percent of poverty. We have changed along that regard.

We have tightened down the language as it relates to illegal children drawing benefits. Under the original bill we passed, illegal children could not get the benefits. You had to be in the country for at least 5 years, with proper papers, and then you could, after having been here 5 years. So we have tightened everything down. We have changed that, hopefully, to pick up some more votes.

At this stage, Senator HATCH and others have said to me: We need a little more time. We would like—because Senator HATCH and Senator GRASSLEY were in on the changes we made. They were not done by Democrats. For every meeting held, they were in on the meetings. But they said give us some more time and maybe we can come up with something else. I am willing to do that. We are willing to do that. I would hope the Republicans mean that, that they do need more time.

So what I would be willing to do—and when I say “I,” it is not me—but what we would be willing to do is to put the vote off on CHIP until we finish the farm bill. I am going to do the farm bill next week. I am not going to go to it this week. We would go ahead and finish Amtrak and then move to something else. What it is, I don't know. I will try to come up with something that would be without a lot of pain to anyone. There are many things we have to do that are bipartisan in nature that I think we could go to.

I had originally considered offering a unanimous consent request where we would move off CHIP and go to it when we finish the transportation bill, and in exchange for that, give me permission to go to something else. I have withdrawn that. I don't want any excuses. I don't want anyone saying: Look, we would have done that, but he was demanding what we go to next, and I am not going to do that.

So I am going to recite into the RECORD a unanimous consent request which will say basically that we will move off CHIP, giving Senator HATCH and others time to negotiate to see if they can come up with something that is agreeable to the body, and maybe we can do CHIP so that—and the only requirement I think that Senator HATCH, Senator GRASSLEY, Senator BAUCUS, I, the Speaker, Congressman RANGEL, and Congressman DINGELL have is that we cover the same amount of kids. We tried to do that in some fashion. Right now, if we don't do something, the number of children covered will drop from 5.5 million to 4.5 million. That is the way it is. Those are the facts, and we can't change that. If we passed our

bill, the one that got 69 votes in this body, instead of having 5.5 million, we would have 10 million children who would be covered.

So I hope we can do that. But anyway, without belaboring the point, what I am going to ask permission to do is that we move off CHIP at what time it would occur naturally and take it up when we finish the farm bill. The rest of this week we will be working on something else. What that will be, I will certainly consult with the Republican leader. But right now, whatever I do, unless I get consent from the Senate—not only the Republicans but the Senate—I would have to get consent to do that or otherwise I would have to file cloture on a motion to proceed to it. So there are no surprises in that regard.

So I ask unanimous consent that the cloture vote be vitiated with respect to the motion to proceed to the CHIP bill, H.R. 3963, and the Senate begin consideration of that bill following the disposition of the farm bill, H.R. 2419.

As I have indicated, we are not going to move right to the farm bill. We are going to wait until at least Monday to get to the farm bill, as I have indicated.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Mr. President, reserving the right to object, if I may do that, and address some comments to the distinguished majority leader, and maybe even some questions, first of all, I think we have made good progress on the Amtrak bill. The leader was considerate of allowing it to go over until today, and our colleagues have fulfilled their commitments to be reasonable with their amendments, and we believe we are ready to go to Senator DEMINT's amendment and get a vote on it at a certain time. I believe we could be very close to going to passage also.

With regard to vitiating the cloture motion on the Children's Health Insurance Program, I can't see any reason why we would object to that, but we ought to continue to try to find a solution. Unfortunately, there has been no real consultation with the leadership on this side of the aisle by those who have been having all of these meetings, and we still have not involved the administration in trying to get a solution that we believe we could all get broad agreement on and avoid going back and forth on bills and vetoes. But to take more time—we still hope you will come up with something that will be supported broadly and signed by the President. But the idea that we would then agree for this to go automatically to the farm bill, we would have to have—

Mr. REID. I am not asking unanimous consent for the farm bill; I am just going to go to the farm bill.

Mr. LOTT. But SCHIP would come back automatically after the farm bill.

Mr. REID. After we finish that, yes.

Mr. LOTT. After a discussion with our leadership, at this time we would have to object. We don't object to vitiating the cloture vote on the CHIP bill,

but we want to make sure we understand we are not agreeing to automatically going to the CHIP bill after the farm bill. So based on that, I would object at this time.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, it is hard for me to comprehend the logic of the objection. We are not asking unanimous consent from anybody as to what we are going to go to next. If the minority wants to object to going to the farm bill, they have the right to do that. I think it would be unusual for them to do that, but they have a right to do that.

We filed our 50th cloture motion, and it was my favorite. It was my favorite because it was bipartisan. It was the first bipartisan cloture motion we filed all year. It was on Amtrak. If we have to file cloture on the farm bill, that is fine. It would just take us a couple of extra days to get to the substance of the bill.

But I would also say it would seem to me that if the Republicans are sincere in wanting to do a CHIP bill, unless I am missing something, what better opportunity would they have? I have said let's get off this bill. As we all know, to finish the farm bill could take a little bit of time. I would hope we could finish it in a week, but as we know, in that week it could be interspersed with an appropriations conference report. We have to do the CR. So I can't imagine our finishing the farm bill very quickly.

But I was told initially on this CHIP matter that they needed 2 days to try to work something out. They are going to have well more than 2 days. It is not as if the Republicans have been in the dark. Remember, the two advocates for this—we would not have had a CHIP bill but for Senator GRASSLEY and Senator HATCH. They were part of everything that took place in this bill. When the bill was not overridden—when the veto was not overridden and the bill was rewritten in the House, it wasn't rewritten by the House; it was rewritten by the House and Senator GRASSLEY's staff and Senator GRASSLEY and Senator HATCH. They were in on every word put in this new bill.

As far as the administration, it would seem to me if they have a couple of weeks, then that is what this will basically give them, 10 days to 2 weeks. That gives them lots of time to work with the administration, Secretary Leavitt, or whoever they want to deal with it. Leader PELOSI and I asked the President the day he vetoed this bill—because he kept saying: I want to meet with the leadership. Speaker PELOSI asked him in the morning; I asked him in the afternoon. He said: I am not going to meet with you. So we have tried. We want to be reasonable. This is an important bill. It deals with children. It is bipartisan. This is not a Democratic bill. It is a Democratic and Republican bill.

So I have heard the objection. I understand English. I would hope,

though, that this afternoon my friends would reassess this; otherwise, we will go ahead and vote, as we have, on a motion to proceed to it.

It seems to me it would be a little difficult, as fair as we have tried to be, for people to change their votes on it. But miracles never cease, and the Republicans, I am sorry to say, have been pulled in as puppets in the past during the almost 7 years this man has been President, and maybe they can do it again. I would hope not on an issue this important.

I repeat, we simply want to have the Republicans get what they want. Can't they take yes for an answer? We have said, you want more time? This isn't an idea I came up with. The Republicans came to me and said they needed more time. Senator HATCH called me last night. I talked to him twice last night. I talked to Senator GRASSLEY yesterday; and Senator BAUCUS, I called him and said: Is that OK with you? He said: Yes, that is OK with me. So I don't know how we could be more reasonable.

What happens if they don't do this? We are going to go ahead and vote on the motion to proceed and vote cloture on the bill. If that is what they want, that is what we can do. But I don't know how, when somebody says will you do this for me, and we say yes, they say no.

The PRESIDING OFFICER. The Republican whip is recognized.

Mr. LOTT. Mr. President, with regard to Senator REID's comments, I don't see any problem with vitiating cloture on the so-called CHIP bill, H.R. 3963. If the leader would like to do that, I assume after consultation with Leader McCONNELL there wouldn't be any problem getting it done.

The problem is, say that after the farm bill you would automatically go to the CHIP bill which would preclude debate time on the motion to proceed, if necessary. To put that after the farm bill without full rights of the minority would be a concern. First of all, we don't know when that might come. It could come 2 weeks from now, right up against a date when we are supposed to be going out for the Thanksgiving period and we don't want to short-circuit that. But if we could work out something where our rights would be protected with regard to the CHIP bill instead of just going automatically to it after the farm bill, it looks as if that is something that could be worked out.

Mr. REID. Mr. President, I have a deal. Again, trying to be more reasonable than I probably should be, but in an effort to try to be fair, I would consider offering a cloture vote on the motion to proceed to CHIP following the farm bill, and if cloture is voted, go directly to the bill. That way we don't lose the 30 hours. This would give people—if people felt aggrieved that they weren't treated properly during this period of time. I just don't want to lose the 30 hours because that is time toward the end of the session, and we are

desperate for time for things that need to be done.

Mr. LOTT. Let me say, if the Leader will yield, you are making an effort, and I think we will need some time to consult with our leader to make sure he is aware of this. I understand the leader doesn't want to have time used that is not necessary. But we have another unanimous consent agreement. We have an amendment that is pending. In the meantime, I will check with Senator McCONNELL and see what he is thinking.

Mr. REID. I would say to my friend, in fairness, I talked to Senator McCONNELL prior to lunch, but it wasn't in any detail. I told him generally what I was going to do. So I think it is appropriate to take a little more time, and we can all come out later and try this again.

But I want the record to be spread, if anyone can come up with a more fair proposal than I have offered, then they should come to the Senate floor because I have basically given those people who have wanted more time—and those are the Republicans—everything they have asked for.

By the way, I also want to say not only do I appreciate the Senator's comments about moving forward on the Amtrak bill, but this is a bipartisan piece of legislation, and I was maybe being a little flippant, but I was very serious. I think it is wonderful. We had a bipartisan cloture motion filed. We need to do more of those, if possible.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that there be 20 minutes for debate with respect to the DeMint amendment, No. 3467, prior to a vote in relation to the amendment; that no amendment be in order to the amendment prior to the vote; that the remaining pending amendments be withdrawn; that no other amendments be in order other than a managers' package of amendments that has been cleared by both managers and leaders; that upon disposition of these amendments, the bill, as amended, be read for a third time, and at 4 p.m. the Senate proceed to vote in relation to the DeMint amendment; and that upon disposition of the DeMint amendment, all postcloture time be considered yielded back and the Senate proceed to vote on the passage of the bill; further, that the cloture vote on the motion to proceed to H.R. 3963 not occur prior to 6:30 p.m., Wednesday, October 31 or at a time determined by the two leaders on Wednesday.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. Mr. President, I believe now we are ready to go forward with the pending DeMint amendment.

Mr. President, we agreed to 20 minutes of debate on the DeMint amendment, once the Senator arrives. I believe we are sending a note to him. He had to go to a markup in the Commerce Committee. He has amendments

he wants to offer. He will be back momentarily to offer those.

In the meantime, I want to respond to some of the things the majority leader was noting. I wanted to do it when he was on the floor, but it is important to try to work through these unanimous consent agreements.

Let me say that on the effort to vitiate cloture on the motion to proceed to the Children's Health Insurance Program, it was noted that it had been requested by Republicans that 2 more days be given to work something out. I note that I don't believe that request came from the Republican leader, Senator MCCONNELL. Members on both sides of the aisle have to recognize that our leaders are our leaders. Our leaders have to be consulted on parliamentary procedure and also on timing. So when one Senator—Senator HATCH—says give me 2 more days but there is no contact or consultation with our leadership on this side of the aisle, that is a problem.

Also, we want to make sure we don't give up our normal rights, the regular order. I am concerned about going to some other issue after the Amtrak bill and then going to the farm bill next week. They have been on the farm bill we don't know how long, and at the last minute we may call up a bipartisan agreement, but it will not resolve the agreements on SCHIP.

We must focus on poor children. I am concerned with the present condition of the bill. My analysis is that this bill costs more than the bill that was vetoed, and fewer children are covered. It has an express lane for illegal children to go into the program. There is a multitude of problems with it. The biggest problem is we are still talking about over \$35 billion. Instead of trying to come to a compromise on the money that is necessary to cover poor children first, it is still not going to get adults off the program. My observation has been when you let adults get on a program intended for children, you crowd children out.

There are huge problems in the status of the negotiations, which are going on by a group that has not included the Republican leadership or the administration. I don't know who met with whom, or why, or why not. We ought to work this out. I don't like playing games with a program such as this. I stood on this floor and spoke when this program was created. I believe in it. I thought we were going to focus on poor children and not continue to raise the income levels that were covered to 300, 350, or 400 percent of poverty and put it into the program. We need to look at the formula. Some States, such as mine, run out of money year after year because the formula doesn't deal with the realities of the needs of the poor children.

There are multiple problems with what is going on. I am very concerned, on our side of the aisle, about some of the involvement of some of our people without consultation with our leader.

The incurable attitude around here is evidenced by this bill. You can find a way to fight and have a disagreement or you can find a way to work together. This Amtrak bill is, I believe, on the verge of passing by a wide margin. If the House is smart, they will not put poison pills in it and try to explode it. Let's get real reforms and put some pressure on Amtrak. I want a successful national rail passenger system. Do I want subsidies for individual passengers to be reduced? Yes. Do I want the cost of meals to be subsidized by the taxpayers? No. Do I want a strongly led, effective national rail passenger system? Yes.

Let's try to make that happen. But it is not going to happen instantly. We have to set up a process, require reforms, and give incentives to do better.

One of the things I think is going to help, which some of my colleagues on this side of the aisle have referred to, is we are going to have more intercity service as a result of this bill. We have a program specifically aimed to help States set up interservice transportation between not just New York and Albany but sites all over the country where States can do more, where there is a way to get an opportunity to do more to have intercity service.

We have language that will start toward a situation where freight lines can bid to provide the service on these lines. We do it with a pilot program. We don't just say anybody can come in; we say one the first year, two the second year, but we will work toward seeing if others can offer this service more efficiently, effectively, and more cost responsible.

I am very much concerned about how these negotiations are going on on the Children's Health Insurance Program. There is a meeting going on down the hall now that doesn't include the leadership on our side. Fifty staff people have been standing out in the hall. I have a novel idea: I think Senators ought to be involved—men and women of good faith and intellect who understand these problems. We don't have to have our staffs do this for us.

The same is true with Amtrak. Senator LAUTENBERG and I have worked on this for at least 3 to 5 years. This is the third Amtrak reform I have been involved in. I apologize for the other two not doing everything we wanted them to do. We have made progress. It didn't do as well as it should have. Now we are trying again. I say to the Amtrak leadership and the Department of Transportation, first, we are giving DOT more involvement in what Amtrak does. No President has made Amtrak work the way it should. They don't pay enough attention to it. And it is not partisan; I don't think this administration is or that the previous administration was.

This legislation will help us move in the direction of a national passenger rail system. I don't want to go into great length. I don't have to object when the leader makes a request to

lock in the agreement to basically finish Amtrak this afternoon and then do something else this afternoon—we don't know what—and on Thursday and Friday and then come to the farm bill next week. Then to go automatically to a CHIP bill, which we don't know what it is going to be, and we give up our rights of regular order, that is not a good arrangement.

I hope the two leaders will get together and proceed to another bill tomorrow. I don't know what it might be. I represent a farm State. I hope we can get a good farm bill and do it in a reasonable period of time. I worry that we are not wanting to get an agreement on the Children's Health Insurance Program. Some people are saying \$35 billion or bust. Others are saying we are not going to go to \$35 billion. The President is at \$5 billion. The earlier bill the President vetoed was at \$35 billion. Now the new bill is \$35 billion. Is there not an area between the two? I have done negotiations around here for years, in the House, in the Senate, and in conference. When one side is at 5 and the other is at 35, what is half of that? It is a little over 15. Would that work? What is the solution? Is it 20? How complicated is that?

But we need to put the emphasis on the poor children first, quit this budget creep we always get into, adding more and more children at higher income levels, and now we have adults and other loopholes in this program that I think we need to be very careful about. Can we do it? Absolutely.

I introduced a bill a month ago that was probably in the range of where the compromise ought to be. By the way, it was about double what I thought we needed to do when we started out, but I moved up. I hope the two leaders will get an understanding of what the process is going to be and move forward on all of this legislation.

Mr. President, we are now waiting for Senator DEMINT to return.

I will yield the floor so Senator LAUTENBERG may comment on the bill or on other issues.

The PRESIDING OFFICER (Mr. SANDERS). The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I want to start off this discussion by saying how much I appreciate working with Senator LOTT and with other Members of the Senate in terms of the amendments. They were offered and considered, but we moved with a degree of dispatch, indicating to me that this is a bill that is wanted by a significant majority of the Senate. That is representing what we believe is a significant public opinion about whether Amtrak ought to be brought up to date and be part of the transportation system that can help relieve other transportation modes of the congestion, pollution, et cetera, that we face constantly in our country right now.

I think the amendment that has been offered by Senator DEMINT is not one of those amendments we would accept—the notion that each ticket a

passenger carries should identify the amount of subsidy that goes into that passenger's ride. I think it is wasteful and I don't see any benefit to travelers or taxpayers. Can you imagine the complication that is involved here? You don't know how many passengers are going to be on that leg and the subsidy has to be divided among the number of passengers. How far is each passenger going to travel? That would also indicate a part of the subsidy. You cannot take a mathematical formula and apply it to this percentage or to this particular passenger's ride.

We all know what is afoot here. I generally agree that transparency is good when it comes to Federal taxpayers' dollars. But this amendment is not needed. It carries the request that Amtrak publish subsidies on its Web site. It already publishes subsidies information per route on its Web site every month as part of its financial report—the general information related to those routes, not individual subsidies per ticket.

Amtrak also provides details on every dollar and dime of its finances to the Department of Transportation and the Congress on a continuous basis. The DeMint amendment would provide travelers with redundant information and, frankly, waste Federal funds.

As I indicated in my earlier comment, it would also be logistically almost impossible to do what this amendment calls for—to determine the subsidy for each rider and print this information on a ticket. These numbers change depending on how far a passenger rides the train. Even if they did not, Amtrak would have to redesign its online reservations and ticketing system for customers to get this information. One doesn't have to have been in the computer business, as I was, in order to know it would take an incredible amount of time and energy to get the software up to date and get the information in on time for it to be printed with any degree of accuracy on the ticket. It is the kind of added cost and redtape that taxpayers are disdainful of.

We don't require the same printing burdens on the airlines, and we have provided some \$20 billion to that industry in the last 6 years.

Americans already understand our Nation's passenger rail system requires subsidies, just as rail systems in other countries. What American travelers care about is receiving high-quality and convenient rail service as a result of that subsidy, and this amendment is not going to do anything to help us in those areas.

Senator LOTT has indicated he and I have worked on transportation issues for many years. Finally, the public is so immersed in congestion, in lost time, in delayed and missed appointments, and with the price of gasoline going up as it is—I recently saw a prediction from someone engaged in the oil industry in the Far East that oil was going to be up to \$200 a barrel in

the not-too-distant future. Do we want to continue to subject the American public to these outrageous costs for this fuel, or do we want to try to achieve some balance in our transportation systems? Trains are much more economical, reduce congestion, reduce pollution, and can establish a level of reliability we can't get out of the aviation system.

We talked about whether we might abandon food and beverage service on the rail lines. We took a vote and it was soundly defeated. But as I listened to the debate, I wondered whether next we would be debating separate charges for the oil and bearing grease that is used on the wheels of the train cars and locomotives, and maybe we can separate out further expenses, maybe paper used in hand towels and items of that nature and reduce the number of those used. We cannot deal with such small matters if we want to get onto doing something that helps the country function more efficiently.

This bill has truly got bipartisan support. We see it not only in the leadership that our friend the Senator from Mississippi applies so skillfully, but there were quite a number of colleagues on the Republican side who joined in to get this bill as far as it is.

We have almost miraculously come to a consensus that says after years of working towards this goal, we are going to get to a positive conclusion toward the reauthorization of Amtrak. It doesn't mean all the problems were solved by a long shot, but it does say we want rail to be as well treated as well as our other means of transportation. We spend some \$40 billion each year on our highways, and aviation, unlike Amtrak, is a for-profit business, and we are still giving subsidies to the airlines each and every year and, as I mentioned, over \$20 billion since 9/11.

When we look at the possibilities of rail service and see that in Europe, for instance, from Brussels, Belgium, to Paris, France, is 200 miles, about the same distance we are from New York City, they do it in 1 hour 25 minutes. Here, if we use an airplane, we can be sure that one out of four flights is going to be late in departure and usually late on arrival.

If we could get Amtrak to improve its service so we can reduce the amount of time it takes—I had the good fortune this morning to take a 7 o'clock train out of New York City. I live in New Jersey, but it was convenient for me to get to the terminal in New York City. I arrived 2½ hours later, city to city—New York City to Washington, DC. We didn't shake, rattle, and roll all the time. It was nice; if you wanted to have a coffee or write or read, it was reasonably comfortable to do that. That is what rail passengers deserve all across this country—adequate service.

We are anxiously awaiting a vote on the next amendment, which has been ordered, and final passage on the Amtrak bill.

I thank my friend, Senator LOTT, for his cooperative manner and his leadership throughout the issues we have faced in this body almost all the years I have been here. We have served together a long time.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I again say to Senator LAUTENBERG, I have enjoyed working with him on transportation issues—from aviation to highways to highway safety and certainly the rail area and most particularly with regard to Amtrak and the national rail passenger system.

Earlier today, I referred to a "Parade" article that will be printed on November 4, 2007. This is a great article. I am going to be quoting some very interesting items that are included in this article because they are so applicable to our debate:

Americans spent about 3.7 billion hours stuck in traffic last year, burning gasoline whose price had soared by 60 percent.

And probably going up.

At the airports, security lines snake endlessly, runways are choked, and delays are common. One recent study found that between January and August 2007, one in four flights arrived late; 159 flights were kept on the tarmac for more than 3 hours in August.

I heard a story one time about a friend of mine, a Congressman from Missouri, who went to the airport and wanted to check three bags. He told the attendant: I would like this bag to go to St. Louis, this bag to Kansas City, and this bag to Chicago.

They said: You can't do that. Why would you want to do that anyway?

He said: Well, that is what happened to my luggage last week.

There are certain indignities that go along with this. I don't want to attack airlines. We need to do more in aviation. We need a modern aviation control system. We should be critical when they do things that are indefensible, such as keeping people trapped on a plane on the tarmac.

We need to be thinking about our transportation system in the air in the next generation, how are we going to make it safe, how are we going to deal with congestion. Let's not stand here and complain; let's act on it. That is why I am supporting an FAA reauthorization bill that includes funds for modernization. Senator ROCKEFELLER from West Virginia and I have worked together on that legislation. He has been courageous, staking a tough stand. Everybody wants modernization; nobody wants to pay for it. We have had some serious recommendations, and I am still hopeful that we can resurrect that bill. That is another reason why we need this particular legislation.

"Trains use one-fifth less energy than cars or planes." I know this is something the Presiding Officer from Vermont cares a lot about. This makes environmental and conservation sense. They are business efficient, tourist

friendly, and that goes not only for the Senator from New Jersey who came down this very morning, but the Senator from Oklahoma, Mr. COBURN, who said he was in New York City and came down on the train. It cost less, it was very pleasant, and it didn't take as much time.

Why shouldn't we try to do more of that? By the way, it is not just about the eastern seaboard. We want a national passenger rail system. But one of the keys, as I mentioned earlier, is intercity connections. We are not talking about just going north, but talking about an intercity connection between DC and Charlotte, NC. We are talking about Portland and Seattle, Chicago and Detroit. We are talking Miami and Jacksonville. And we provide additional assistance in this bill through the State Capital Grant Program for intercity passenger rail projects.

The grant program makes grants to States or groups of States to pay for the capital cost of facilities and equipment necessary to provide new and improved intercity passenger rail. The Federal match is 80 percent. Projects are selected by the Secretary of Transportation based on economic feasibility, expected ridership, and other factors.

By the way, that is the same arrangement we have with highways. People say: Oh, my goodness, subsidy of a rail passenger system? Well, yes. We have a subsidy for airlines, and we have a subsidy for highways.

I wish we didn't have to have a subsidy. I do hope we do a better job of running Amtrak. I think some progress has been made. I still say former Chairman of Amtrak, David Gunn is a good man and did a lot of tough things and would have done more if he had been able to stay on. I wish him well.

By the way, how much money are we subsidizing Amtrak? Last year, the funding was \$1.3 billion, the same as it was 25 years ago. We haven't even accounted for a piece of the inflationary impact.

I want modernization. I don't want the Acela, this nice train running from Washington, DC, to New York and Philadelphia and then have me have to ride some raggedy train from Meridian, MS, that bumps and grinds and drags along and eventually comes to Washington. I want to have something like the Acela, also. We are going to have to have capital improvements. We will have to modernize. We can't tell the people we want you to consider the alternative of rail passenger if it is not on time, if the food has been pulled off the trains, and the equipment is pathetic. It is probably going to be an overnight trip. You have to have some modicum of comfort to take advantage of this alternative.

I have a feeling—and it is not a good one—that we are going to have gridlock and congestion, maybe even safety threats. We are going to have to have a national passenger rail system. I would rather ride on a sleeper or a nice pas-

senger car than in a cargo-type boxcar. That is the way a lot of people have traveled in years gone by, boxcars.

We are trying to do something responsible to make a difference for the American people and deal with our transportation needs in this country.

I do want more transparency. I do want them to cut out the waste. If food costs are being driven by 52 percent labor cost, change it. Raise the cost, do whatever is necessary. But I am tired of people complaining about it and nobody doing anything about it.

I urge the Amtrak board: Get engaged. On transportation, I have urged this administration and the previous administration: Lead us, push the edge. Yet we have had to drag administrations into this area, which is one of the few areas, in my opinion, philosophically, the Federal Government has a role—interstate transportation. You can't do it alone if you are a poorer State, such as Vermont, Montana or Mississippi. It has to be between States, it has to be supported by the Federal Government. It creates jobs. When we build a highway, when we extend a runway, when we improve a terminal and make it safer, make it where the transportation safety administration can do its job, when we lay more railroad track, when we put more trains on that trackage, when we provide good service, jobs are created.

I have absolutely been convinced, in the last 10 years of my career, that transportation is key to future of the country. Infrastructure, yes, industrial sites, water, all that. But lanes, planes, trains, ports, and harbors, if people can't get there, whether it is an individual, a corporate executive or international, multinational company, they are not going to come. If they have to get there on a dirt road—no. They are not going to come. If they can't get decent commercial service, they are not going to come.

This is just a part of the package. It is the kind of thing we can do in a bipartisan way. One of my big problems this whole year is we have looked for ways or issues that we fight over. "We are defining our base." "We are defining our party." Baloney. I didn't come here just to define a party. I think we ought to be trying to find a way to do some things for the American people. It doesn't have to be the grand design of tax policy or budget policy. No, it can be national rail passenger system. It can be something smaller that we can work together on that produces a real result. Let's quit looking for ways that we can fight. There will be plenty of time for that. Let's look for things we can do together that have broad support.

I will be involved when that time comes. I am in and out of here—around here all the time, on a bipartisan basis, because I just can't stand the idea of just being here and producing nothing. I have been told, in a way, I have some sort of congenital defect; and that is a desire to get things done. I hope that is

what the moniker on my tombstone will say: He died trying to get something done, something that people care about in this country.

I am getting a little carried away. I am sounding like a preacher. I apologize. But I am passionate about this. I feel a little offended. Some people are sitting here saying this guy is from Mississippi, what does he care? I care because it is right for our whole country, not just for my State. I don't have a vested interest, thank goodness. Yes, we will have a little Amtrak service, not a whole lot, but we will have a couple of lines that come blowing through my State. We will be glad to have them. We hope they will stop a couple of times and pick us up and take us to New Orleans or take us to Atlanta or take us to Chicago.

But Europe and Japan and other countries have done this. I don't like to emulate those countries in a lot of instances, but if they can do it, you are telling me we can't do it? It is just a matter of us making up our minds that we are going to do this, and I hope we have made up our minds this time and we are going to do something that will really help the national passenger rail system.

I yield the floor.

THE PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, Senator LOTT was speaking about the larger assignment that we have in front of us rather than simply a party allegiance. There is no doubt that long before we were Republicans and Democrats, we were Americans. If we keep that focus in mind, I think we can help our country achieve some of the goals that we need to examine.

Look at the conditions that have overtaken America—I will use that word—and look back at the population. In 1970—1971, when AMTRAK was taken over as a quasi-public corporation, the country had 200 million people. Now, barely 35 years later, we have 300 million in this country of ours. Imagine, 100 million more people, and we are still depending on a rail system that was largely developed far earlier than the 1970s.

I think Senator LOTT was absolutely right when he spoke about our need to bring the aviation system up to date as well. We have narrowed the separation between airplanes to one thousand feet vertically. That is not designed to scare anybody because the Federal Aviation Administration (FAA) can handle it, but the FAA does say we are squeezing whatever spare air we have to fill the airspace. When we look at the lighter jets coming into service, it is expected that there will be some 5,000 new very light jets in the sky in the next 10 years. We see the planes are filled constantly and ways have to be figured out to make air service more reliable.

I repeat something that has been said many times: One out of four flights is late today. One of the airports that suffers from these delays is my favorite

airport, and that is Newark Liberty International Airport in New Jersey. We have to learn different ways to do things because, as has been said, the air time to fly from Newark or LaGuardia—I live in between because I live in that part of New Jersey near the Washington Bridge, so I live midway in between. So I can go to either airport for service.

But what has happened is I have been on the airplane many times going up from here to our region and I hear the pilot say: Good evening, the weather is fine, the flying time to Newark Liberty Airport is 38 minutes. Since there are no weather delays we should enjoy our trip up there, and I hope we will be able to close the door soon and get on our way.

In this particular flight that I am thinking of, the pilot closed the door, we were pushed out with the truck to get into place, and the pilot said: Oh, we just learned air traffic in the New York area is fairly heavy, and our takeoff time is an hour from now.

An hour from now, for a 38-minute flight. I looked at my watch many times and couldn't wait for the hour to pass. The pilot gets on the air and says: We have just been advised that we have 23 minutes longer than expected.

By the time that 38 minutes flying time got through, it was 3 hours of time passed.

I just told the story about taking a train down this morning from New York Penn Station, and it was 2 hours and 35 minutes. I was in the city, so I didn't have to travel a half or three-quarters of an hour to get to the airport, and then to be there a half hour or 45 minutes early, so the time consumed just doesn't balance out.

We have to get on with this opportunity to improve our transportation systems because we are being forced into it. We have not planned adequately enough to accommodate travel in our country. We have to act, because we know things are going to worsen, not get better automatically.

As we deal with problems—the occupant of the chair, the Senator from Vermont, and I—we are dealing actively with global warming because of emissions that come from cars, from buildings, from industrial sources, from all kinds of greenhouse gas sources that are creating global warming. Global warming threatens our families directly. It is said by the most auspicious scientific advisory groups—the National Academy of Sciences, the Union of Concerned Scientists, National Science Foundation—they are saying: Get on with it. You have a 10-year window during which time you can do something about arresting the growth of global warming that will make life quite different on our planet than we are used to.

When we see ecological disturbances, like male fish in the Potomac River carrying eggs—not the female fish—that is an ominous sign. When we see polar bears on floes that are ragged,

watching as the ice melts from under their feet, it is an ominous sign. When we understand that, if the ice melts—and the occupant of the Presiding Officer's chair and I and other Senators were in Greenland not too long ago and watched ice melt, not in little rivulets but almost like waterfalls, and the forecast is that if that ice melt continues at the pace it is, within 50 years the seas can be 20 feet higher than they are. We have to get on with it.

This is an opportunity to make a contribution to the reduction of greenhouse gases and arrest the momentum of global warming. That rail bill we have is an essential factor in that area.

How about the experience this country has had in these last years when two nuclear energy plants were built, one in New Hampshire and one in Long Island, NY, that had to be virtually abandoned because there was no sensible evacuation route. Rail makes a difference. If rail had been used in Louisiana at the time of Katrina, a lot more people could have escaped some of the fear and the anxiety and the deaths and illnesses that struck people as a result of that terrible storm. Let's get on with it.

We have a commitment under the regular order of business to vote at 4 o'clock on an amendment that talks about showing the subsidy per ticket, offered from our colleague from South Carolina, to make certain that we identify how much we are spending on a subsidy.

We are not saying the same thing has to be done on an air ticket. Aviation is essential. Airlines helped connect this country. We are able to get coast to coast, long distances, in a relatively short time. We subsidize these for-profit companies. They are businesses. Amtrak is a not-for-profit company, so we are going to have to subsidize it. I think now what we are saying is we are stepping up to the plate and getting on with it.

I hope my colleague from South Carolina will be able to join us because the time now will be charged to the time allotted for debate. I am going to suggest the absence of a quorum while we wait and ask the time for debate under the quorum call be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DEMINT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DEMINT. Mr. President, I understand at 4 o'clock we have a vote on DeMint amendment No. 3467. I would summarize again the purpose of this amendment and what it entails. We have talked about the importance of disclosure, in letting the American people know how Government operates and actually what it costs them.

When it comes to Amtrak, we are all very aware that there are heavy subsidies for Amtrak. This works out to an average of over \$210 a ticket across the country. In some parts of the country Amtrak is working very well and in other parts of the country, the Federal Government is subsidizing over \$500 a ticket to keep this going.

Mr. LAUTENBERG. Mr. President, we have about 6 minutes left. I suggest we divide it between us so that we have a couple of minutes to respond to the Senator.

Mr. DEMINT. That is fine. I will take a couple more minutes.

My amendment requests full disclosure of the costs of subsidies for each ticket. This would allow passengers and all Americans to know that when they buy a ticket, how much tax dollars go in, in addition to what they pay, to subsidize the price of their ticket.

This will do a number of things, I think, that are important. It will not only let the American people know how much they are spending to keep Amtrak going, it will force Amtrak to actually calculate the real costs of operating their lines throughout the country.

In order for us as a Congress to make good decisions about Amtrak and allow them to make good decisions about which lines should be discontinued, which ones should be continued, it is important for them to calculate the cost. Right now the way they calculate costs does not allow them to determine the real costs for their lines. I want to make clear we are not trying to cut any funding in this amendment from Amtrak. We are not asking to do anything but what a normal business would do; that is, to calculate the real cost of operating each of their lines.

It is the same as asking a business to determine the cost of all of their product lines so they can determine which are profitable, which are not. In this case, we will determine not only which ones are not profitable, and how much in subsidies there is, but what the real costs are for each line.

I encourage my colleagues to support this as a measure of disclosure for Amtrak, not in any way to harm Amtrak or their operations. I think it is a way to help them be more efficient in the future.

With that, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, let me say again to the Senator from South Carolina who just left the Chamber, I appreciate the way he has approached this. He did not come in and condemn it; he looked at it. He had some ideas, and several of them have been accepted. I think he wound up getting five of his ideas that have been accepted. So he has been a constructive force.

I have found a lot of Members assume we are trying to provide money to Amtrak without any reforms. When they

look at it, I think they are surprised at the number of requirements and plans and reform that we do include in this legislation.

But I would be opposed to this amendment. You would have to print on each individual ticket the specific amount of the Government subsidy per passenger for that route. Now, think about it. You know on its face that would take a lot of effort. It is changing. It would cost, I have heard, probably as much as \$3 million. I do not want to vouch for that, but there would be some cost. But it is already available. You can get this information through the public Web site. That is available, about what the cost of the subsidy is on these tickets. So it would provide something that is already available. You would have to pay for it. We have a number of other reporting and disclosure requirements included in this bill. I think it is redundant to what we have in the bill.

We are focused on trying to reduce subsidies. The point should not be how much is it now per ticket; the point should be: How much is it aggregate and what are we going to do about it? We have got specific markers in this legislation, the metrics and standards that will be required to get us to a reduced amount of subsidy.

But, again, as I have said earlier, it is a chicken-and-egg thing. You can do it in a responsible and reasonable way and get a result or you can force things that cost money and do not achieve anything.

Also, we are not going to reduce the subsidies until we improve the service, improve the capital stock, and do a better job. That is what I believe this legislation will do. So I urge the amendment be defeated.

I again thank the Senator from South Carolina for being willing to work with us on a number of amendments he had that actually did add improvements to the bill.

With that, I yield the floor. I do not know if there is any time remaining.

Mr. LAUTENBERG. Mr. President, we need a couple of minutes. I ask unanimous consent to extend the period prior to the vote for 5 minutes so we can prepare the managers' amendment prior to the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 3486; 3489, AS MODIFIED; AND 3469, AS MODIFIED, EN BLOC

Mr. LAUTENBERG. Mr. President, under the order, there is consent for a managers' amendment to be in order. That managers' amendment is at the

desk, and I ask unanimous consent that the three amendments be considered en bloc and modified, if applicable; that the amendments be agreed to as modified, if modified; and the motions to reconsider be laid upon the table, en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to, as follows:

AMENDMENT NO. 3486

(Purpose: To require the rail cooperative research program to include research designed to review rail crossing safety improvements, including improvements using new safety technology)

On page 105, between lines 13 and 14, insert the following:

“(12) To review rail crossing safety improvements, including improvements using new safety technology.

AMENDMENT NO. 3489, AS MODIFIED

On page 60, after line 22, add the following: **SEC. 224. PASSENGER RAIL STUDY.**

(a) IN GENERAL.—The Comptroller General of the General Accountability Office shall conduct a study to determine the potential cost and benefits of expanding passenger rail service options in underserved communities.

(b) SUBMISSION.—Not later than 1 year after the date of the enactment of this Act, Comptroller General shall submit a report containing the results of the study conducted under this section to—

(1) the Committee on Commerce, Science, and Transportation of the Senate; and

(2) the Committee on Transportation and Infrastructure of the House of Representatives.

AMENDMENT NO. 3469, AS MODIFIED

On page 16, between lines 5 and 6 insert the following:

(c) CATEGORIZATION OF REVENUES AND EXPENSES.—

(1) IN GENERAL.—In carrying out subsection (a), the Amtrak Board of Directors shall separately categorize routes, assigned revenues, and attributable expenses by type of service, including long distance routes, State-sponsored routes, commuter contract routes, and Northeast Corridor routes.

(2) NORTHEAST CORRIDOR.—Amtrak revenues generated by freight and commuter railroads operating on the Northeast Corridor shall be separately listed to include the charges per car mile assessed by Amtrak to other freight and commuter railroad entities.

(3) FIXED OVERHEAD EXPENSES.—Fixed overhead expenses that are not directly assigned or attributed to any route (or group of routes) shall be listed separately by line item and expense category.

VOTE ON AMENDMENT NO. 3467

Mr. LOTT. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 3467. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from Iowa (Mr. HARKIN), the Senator from Illinois (Mr. OBAMA), and the Senator from Oregon (Mr. WYDEN) are necessarily absent.

Mr. LOTT. The following Senators are necessarily absent: the Senator from Arizona (Mr. MCCAIN) and the Senator from Alabama (Mr. SESSIONS).

The PRESIDING OFFICER (Mr. SALAZAR). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 27, nays 65, as follows:

[Rollcall Vote No. 399 Leg.]

YEAS—27

Allard	DeMint	Kyl
Barrasso	Dole	Lugar
Bond	Ensign	McCconnell
Brownback	Enzi	Roberts
Bunning	Graham	Shelby
Burr	Graßley	Sununu
Chambliss	Gregg	Thune
Coburn	Inhofe	Vitter
Cornyn	Isakson	Voinovich

NAYS—65

Akaka	Durbin	Mikulski
Alexander	Feingold	Murkowski
Baucus	Feinstein	Murray
Bayh	Hagel	Nelson (FL)
Bennett	Hatch	Nelson (NE)
Bingaman	Hutchison	Pryor
Boxer	Inouye	Reed
Brown	Johnson	Reid
Byrd	Kennedy	Rockefeller
Cantwell	Kerry	Salazar
Cardin	Klobuchar	Sanders
Carper	Kohl	Schumer
Casey	Landrieu	Smith
Cochran	Lautenberg	Snowe
Coleman	Leahy	Specter
Collins	Levin	Stabenow
Conrad	Lieberman	Stevens
Corker	Lincoln	Tester
Craig	Lott	Warner
Crapo	Martinez	Webb
Domenici	McCaskill	Whitehouse
Dorgan	Menendez	

NOT VOTING—8

Biden	Harkin	Sessions
Clinton	McCain	Wyden
Dodd	Obama	

The amendment (No. 3467) was rejected.

Mr. CARDIN. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SCHUMER. Mr. President, I rise today in support of the Passenger Rail Investment and Improvement Act of 2007. First I would like to thank Senator LAUTENBERG and Senator LOTT and their staff for all of their hard work on this bill. This bill is the product of true collaboration and I am proud to be an original cosponsor. Serving nearly 26 million riders each year, Amtrak provides an invaluable service to travelers and commuters all over the country and particularly along the Northeast corridor.

Unfortunately, in the past few years, we have seen efforts to fully fund and modernize Amtrak thwarted, leaving Amtrak repeatedly underfunded by the administration. This bill will end this pattern of stop-gap funding and provide Amtrak with the resources it needs to improve service and passenger safety as we move forward. As you know, many of the security measures initially included in this bill have already been signed into law as part of the Implementing the 9/11 Recommendations Act. I congratulate my colleagues on



these accomplishments as these measures will significantly strengthen the security of our passenger rail system.

As Amtrak formulates its plan for the future, it is important that it has the funding and support needed to maintain the system and restore operations to high performance levels. By authorizing \$10 billion over the next 6 years for repairs and operating costs, in addition to millions in grant funding, Amtrak will be able to accomplish this goal and meet the transportation and safety needs of travelers who rely on the system. This bill will also ensure that Amtrak is able to restore the Northeast corridor—the most heavily trafficked stretch of the system—to a state of good repair by the end of 2012. This corridor is relied upon by leisure and business travelers alike and is an integral part of the Northeast economy. I am proud to be an original co-sponsor on this bill and believe it provides Amtrak with a solid blueprint for the future.

In New York particularly, Amtrak is indispensable to the economy and business community. Thousands of riders travel daily to New York City for meetings, to visit family and friends or for an early dinner before a Broadway show. Amtrak offers New Yorkers reliable and hassle-free access to cities all along the east coast, making it a crucial mode of transportation for hundreds of thousands of travelers each year.

I am committed to working with my colleagues to continue to improve passenger rail service through Federal support and increases in safety and security and I look forward to the final passage of this bill.

Mr. SMITH. Mr. President, as ranking member of Senate Commerce Committee's Subcommittee on Surface Transportation, I rise to speak in the support of the Passenger Rail Investment and Improvement Act of 2007. This bill reflects several years of work by Senators LAUTENBERG, LOTT, myself and many others to reform our Nation's passenger rail system.

Over the 6-year life of the bill, Amtrak's operating subsidy is reduced by 40 percent through cost cutting, restructuring, and reform. This bill authorizes funding for Amtrak's capital and operating needs to maintain current operations, upgrade equipment, and return the Northeast Corridor to a state of good repair.

While I know that there are some who argue that this bill does not go far enough, I do believe that it is a step in the right direction. In particular, I believe that the State-Amtrak partnerships outlined in this bill—with respect to both the cost allocation and capital match—will be key to ensuring the long-term viability and growth in ridership of intercity passenger rail.

I have long advocated for the establishment of an equitable system for States to pay their fair share toward the operating costs related to Amtrak corridor routes. In the Northwest, Am-

trak operates the Amtrak Cascades, which provides daily service between Eugene, OR and Vancouver, British Columbia. This service is supported through operating funds provided by the States of Oregon and Washington.

With almost 700,000 riders last year, the Amtrak Cascades is the seventh most heavily traveled corridor in the country and represents a model for partnership among States, Amtrak, freight railroads and local communities. Currently, however, Oregon is one of only 14 States that provide operating funds to support and maintain Amtrak's service. This bill would help change that.

On the capital side, this bill encourages States to get more involved with our national passenger rail system by creating a new State Capital Grant program for intercity passenger rail capital projects.

The program makes grants to a State, or a group of States, to pay for the capital costs of facilities and equipment necessary to provide new or improved intercity passenger rail. The Federal match is 80 percent. Providing States with this option will be a valuable tool to assist them in their transportation planning.

Across the country and across all transportation modes, congestion is becoming more and more of a problem, and, unfortunately, it is only going to get worse. Increasing the use of passenger rail, particularly within more densely populated corridors such as the Cascades corridor I mentioned earlier, should be part of our national strategy to fight congestion.

It should be noted that intercity and commuter passenger railroads are one of the cleanest forms of transportation. On a per passenger mile, Amtrak is 17 percent more energy efficient than domestic airline travel and 21 percent more efficient than auto travel.

Finally, I want to talk quickly about ridership and financial performance. In fiscal year 2007, Amtrak ridership increased to 25,847,000, marking the fifth straight year of gains and setting a record for the most passengers using Amtrak since its creation in 1971.

Additionally, total ticket revenue for the fiscal year topped \$1.5 billion, up 11 percent over the previous fiscal year.

More people are using Amtrak today than ever before, and given the transportation capacity constraints our country will face in the coming years, I believe it would be a mistake if we didn't make the investments now—in both time and money—to try to reform the system to ensure that passenger trains are a viable transportation alternative in the future.

I don't believe that this is a perfect bill, but I do believe that it is a step in the right direction, and I hope my colleagues will support it.

Mr. LIEBERMAN. Mr. President, I rise today in support of the Passenger Rail Investment and Investment Act of 2007. I commend Senators LAUTENBERG, CARPER, and LOTT for their excel-

lent work on this bill, and I am proud to co-sponsor it.

Amtrak is certainly important to my home State of Connecticut. Amtrak operates 46 daily trains in Connecticut, serving almost 1.5 million passengers each year. New Haven is the twelfth busiest train station in the entire Amtrak system, with over 630,000 passengers annually. Amtrak is also a significant employer in my State, providing 575 jobs to Connecticut residents.

These Connecticut facts provide me with robust reasons to champion Amtrak, but I also believe that we must have a strong national passenger rail system. We rely on the heavily used Northeast corridor to provide a convenient transportation option for those traveling between Washington, DC and Boston. The capital funding authorization in the legislation before us will require that Amtrak develop a spending plan to improve infrastructure along the corridor, which will lead to reduced travel time and delays.

There is also an important environmental reason to support Amtrak. Global warming is a real problem, and we need to figure out sensible ways to reduce our reliance on foreign oil. We can only solve this national crisis if we work together collectively. As far as Amtrak is concerned, we cannot focus solely on the East and West coast train corridors. Instead, we need to figure out ways to increase ridership for as many routes as possible. This bill requires Amtrak to become more efficient in delivering its long distance service by implementing performance improvement plans for trains with low ridership.

The Passenger Rail Investment and Improvement Act also creates a new State Capital Grant program for intercity passenger rail projects. With a Federal match of 80 percent, the Secretary of Transportation will select worthy projects based on environmental impact, economic benefit, and anticipated ridership. I want to underscore the importance of this new grant program. The era of cheap oil is over, and our Nation's security depends on implementing innovative energy and transportation alternatives.

The last Amtrak authorization bill expired in 2002, so the time for this bill's passage is overdue. Amtrak deserves a stable funding blueprint for the next 5 fiscal years. Without such certainty, it is impossible for Amtrak to succeed and meet the considerable challenges and goals we have placed before them.

I commend my colleagues again for a job well done on a bipartisan piece of legislation that builds a strong consensus on the next generation of passenger rail in the United States.

Mr. CASEY. Mr. President, I rise today in strong support of S. 294, the Passenger Rail Investment and Improvement Act of 2007, offered by Senators LAUTENBERG and LOTT. I signed on as a cosponsor of this bill soon after

it was introduced because this legislation provides a much-needed and long overdue investment in the future of passenger rail in our country.

The benefits of a strong passenger rail network are clear: Amtrak helps reduce congestion on our highways in an environmental-friendly manner. Anyone who travels regularly on our Nation's highways recognizes that we need a comprehensive solution to our congestion problems that involves multiple modes of transportation. We need to do so, however, in a way that reduces carbon emissions. Passenger rail is key to these efforts.

Amtrak has made great strides in recent years in terms of its on-time performance, its commitment to high speed rail, and its emphasis on increased ridership. While Amtrak still has work to do on the longer distance routes serving Pennsylvania and other parts of the country, the well-documented ontime performance of the Acela Express in the Northeast corridor is a perfect example of the possibilities that result from appropriate investments in rail infrastructure. At the end of fiscal year 2007, Amtrak officials reported that ontime performance for Acela Express was 87.8 percent, up more than 3 percent over the same period in 2006.

The Northeast corridor is not the only area where Amtrak is making progress. Pennsylvania's Keystone line, operating between Harrisburg and Philadelphia, ranks fifth in ridership and revenue growth among all Amtrak services. Many of my constituents use this line to travel between Harrisburg and Lancaster and on to Philadelphia and New York.

The legislation we are considering here today also would create a new State Capital Grant Program for intercity passenger rail capital projects. The program would authorize the awarding of grants to a State, or a group of States, to pay for the capital costs of infrastructure, facilities, and equipment necessary to provide new or improved intercity passenger rail. This new program is particularly of interest in Pennsylvania, as we continue to look at reinstating routes, particularly between Scranton and the New York metropolitan area.

Finally, it is my hope that this new investment will spur Amtrak to address outstanding labor issues that have simply gone on for too long. Amtrak's infrastructure upgrades should be coupled with investments in its workforce, and I, along with many of my colleagues in the Senate and the House, will continue to closely monitor this situation in the coming weeks and months.

Thank you. I urge my colleagues to support this important bill.

Mrs. FEINSTEIN. Mr. President, I rise today in support of the Passenger Rail Investment and Improvement Act of 2007.

The bill before us today would authorize an increase in Federal funding

for the operation and development of passenger rail services, reauthorize Amtrak for an additional 6 years, and provide much needed reform of the Nation's rail system.

This legislation makes an important first step to establish high-speed rail systems throughout the United States.

A strong national rail system provides Americans with a practical transportation alternative, helps to alleviate traffic congestion on our Nation's highways and reduces harmful greenhouse gas emissions.

This legislation would also require an increase in financial and operation transparency and accountability at Amtrak, reduce Federal operating subsidies, and improve train performance and customer service.

Today, Amtrak serves nearly 25 million riders each year at more than 500 stations across 46 States.

Amtrak is also one of the Nation's largest providers of contracted commuter service for State and regional authorities. Over 60 million commuters in California, Maryland, Connecticut, Washington, and Virginia take Amtrak to work each year.

California's partnership with Amtrak represents the largest State-supported passenger rail program in the United States. Each day, Amtrak operates approximately 70 intercity trains and 100 commuter trains in California.

Amtrak's corridors in California are also among the busiest in the Nation, with more than 10 million Californians boarding Amtrak during fiscal year 2006.

The Pacific Surfliner service from San Diego through Los Angeles is the second busiest corridor in the United States with over 2.5 million riders in 2006.

The Capitol Corridor service between Sacramento and San Jose is the third most traveled corridor in the country with over 1 million riders in 2006.

Home to two of the Nation's top five most congested cities in the United States, my home State of California understands the importance of viable travel alternatives.

Passenger rail services have helped ease highway congestion, reduce automobile emissions and improve the State's air quality.

California is well ahead of the curve on developing a transportation system that has low environmental impact yet meets the growing needs of the California economy.

But there is still much more work to be done.

It is expected that California's population will grow to more than 50 million people by 2030.

California would need to build about 3,000 additional lane-miles on intercity highways and over 90 new gates and five new airport runways to serve the expected population in 2030.

The State of California and the California High-Speed Rail Authority are working to develop a high-speed rail system which would stretch from San

Francisco, Oakland and Sacramento in the north, to Los Angeles and San Diego in the south.

With trains operating at speeds up to 220 mph, the travel time from downtown San Francisco to Los Angeles would be just under 2½ hours.

As envisioned, California's high-speed train system could accommodate nearly 120 million passengers annually by 2030.

This state-of-the-art rail system would take millions of cars off the road, ease traffic congestion, reduce greenhouse gas emissions, and allow people to travel faster, safer and more comfortably.

To move our great Nation into the next era of modern, efficient, environmentally friendly transportation, all levels of public and private finances and resources must be brought to bear. This legislation is an important first step.

Investment in America's passenger rail system is important for California. It is important for this Nation. I urge my colleagues to join me in support of this legislation.

Mr. DURBIN. Mr. President, I thank Senators LAUTENBERG and LOTT for their hard work in bringing this important bill to the floor. They have worked on this issue for years and have always done so in a bipartisan manner.

I am proud to be an original cosponsor of this bill which helps our Nation in many ways, not the least of which is relieving congestion on our overcrowded transportation system.

We are facing a congestion crisis in this country today, and the problem is only getting worse. Congestion causes Americans to travel 4.2 billion hours longer and purchase an extra 2.9 billion gallons of gas each year, for a total congestion cost of \$78 billion. This is an increase from 2004 of 220 million hours, 140 million gallons of gas, and \$5 billion. The Texas Transportation Institute calculates that the cost to the average traveler is \$710 a year.

Americans are not just facing congestion on our roads; we're facing it in our skies and at our airports too. Across the country, flights are being delayed longer and longer, while passengers sit in the terminal or are forced to sit on the tarmac. Airlines are overwhelmed trying to balance the increased demand for air travel with the shrinking space in our skies.

Amtrak is a big part of the solution to this congestion crisis. Amtrak trains take cars off the roads and offer passengers a faster, more comfortable alternative to air travel for short-distance trips.

Furthermore, the average Amtrak train emits two-thirds less global warming pollution per passenger mile than cars and trucks and half the global warming pollution of airplanes. We can already see the environmental benefits of Amtrak service, despite centuries-old tracks and aging equipment. This bill is critical because it will lay the groundwork for Amtrak to achieve its full potential.

The technology behind trains continues to improve and is more efficient. With the right Federal investment, we can see energy-efficient, high-speed trains moving passengers between cities cleaner and quicker than by car or plane.

We are beginning to see these benefits in my home State, as the State of Illinois doubled its investment in passenger rail last year. Thanks to that investment, Amtrak trains in Illinois have seen phenomenal growth on the trains from Chicago to St. Louis, Quincy, and Carbondale. This past year, those three routes saw the greatest increase in ridership of any line in the Amtrak system.

The Chicago-Quincy routes—the Illinois Zephyr and the Carl Sandburg—have seen 41.4 percent growth in ridership in the last year.

The Chicago-St. Louis line—the Lincoln—saw a 55.8 percent increase in ridership since we have expanded service.

The Chicago-Carbondale routes—the Illini and the Saluki—have seen an outstanding boost of 67.4 percent.

These routes helped propel Amtrak to its fifth straight year of record ridership and ticket revenue.

The demand is only increasing, as even more Illinois communities are clamoring for passenger rail service. The Illinois Department of Transportation and Amtrak have released a feasibility study demonstrating that passenger rail service from Chicago to Rockford is very competitive with car travel, and we expect another feasibility study soon, which will show that the same is true for service from Chicago to the Quad Cities.

In States such as Illinois that invest in passenger rail, we are seeing fewer cars on the road and increased economic activity along the train lines. The Passenger Rail Investment and Improvement Act of 2007 recognizes these benefits and rewards States that make capital and operating investment in passenger rail.

I also thank the managers of this bill for including the State Capital Grants Program, which will give States real incentives to invest in expanding passenger rail corridors. The Illinois model proves that with the right investment, we can move Americans out of traffic jams and into a cleaner, more reliable mode of transportation.

Today, we are considering Amtrak's authorization, an authorization that expired in 2002. We already have let too much time pass without capitalizing on the huge demand for passenger rail service. We must pass this bill now to pave the way for the restoration and expansion of Amtrak.

Amtrak's success is despite the President's repeated underfunding—or nonfunding—of passenger rail in his budgets. It is a testament to the Senate and to the Congress that we have repeatedly rejected attempts by the administration and others who oppose Amtrak.

Now as we stand at a crossroads of rail service in the United States, com-

munities are increasingly vocal about their demand for cheaper, cleaner transportation options. Intercity rail service is an integral component to meeting these needs. The expansion of Amtrak service is far more than refitting rails and building new stations; it is about economic development, relieving congestion on our roads, improving our environment, and making life easier for future generations.

I urge my colleagues to support this important legislation.

The PRESIDING OFFICER. Under the previous order, all time postcloture is yielded back and the clerk will read the bill for the third time.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

Mr. LAUTENBERG. Mr. President, the yeas and nays have been ordered, I believe. They have not?

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from Iowa (Mr. HARKIN), the Senator from Illinois (Mr. OBAMA), and the Senator from Oregon (Mr. WYDEN) are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN), and the Senator from Iowa (Mr. HARKIN) would each vote "yea."

Mr. LOTT. The following Senators are necessarily absent: the Senator from Arizona (Mr. MCCAIN) and the Senator from Alabama (Mr. SESSIONS).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 70, nays 22, as follows:

[Rollcall Vote No. 400 Leg.]

YEAS—70

Akaka	Feingold	Murkowski
Alexander	Feinstein	Murray
Baucus	Grassley	Nelson (FL)
Bayh	Hagel	Nelson (NE)
Bennett	Hatch	Pryor
Bingaman	Hutchison	Reed
Boxer	Inouye	Reid
Brown	Johnson	Roberts
Byrd	Kennedy	Rockefeller
Cantwell	Kerry	Salazar
Cardin	Klobuchar	Sanders
Carper	Kohl	Schumer
Casey	Landrieu	Shelby
Cochran	Lautenberg	Smith
Coleman	Leahy	Snowe
Collins	Levin	Specter
Conrad	Lieberman	Stabenow
Corker	Lincoln	Stevens
Cornyn	Lott	Tester
Crapo	Lugar	Warner
Dole	Martinez	Webb
Domenici	McCaskill	Whitehouse
Dorgan	Menendez	
Durbin	Mikulski	

NAYS—22

Allard	Craig	Kyl
Barrasso	DeMint	McConnell
Bond	Ensign	Sununu
Brownback	Enzi	Thune
Bunning	Graham	Vitter
Burr	Gregg	Voinovich
Chambliss	Inhofe	
Coburn	Isakson	

NOT VOTING—8

Biden	Harkin	Sessions
Clinton	McCain	Wyden
Dodd	Obama	

The bill (S. 294), as amended, was passed, as follows:

S. 294

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Passenger Rail Investment and Improvement Act of 2007".

SEC. 2. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision of law, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 3. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Amendment of title 49, United States Code.
- Sec. 3. Table of contents.

TITLE I—AUTHORIZATIONS

- Sec. 101. Authorization for Amtrak capital and operating expenses and State capital grants.
- Sec. 102. Authorization for the Federal Railroad Administration.
- Sec. 103. Repayment of long-term debt and capital leases.
- Sec. 104. Excess railroad retirement.
- Sec. 105. Other authorizations.

TITLE II—AMTRAK REFORM AND OPERATIONAL IMPROVEMENTS

- Sec. 201. National railroad passenger transportation system defined.
- Sec. 202. Amtrak Board of Directors.
- Sec. 203. Establishment of improved financial accounting system.
- Sec. 204. Development of 5-year financial plan.
- Sec. 205. Establishment of grant process.
- Sec. 206. State-supported routes.
- Sec. 207. Independent auditor to establish methodologies for Amtrak route and service planning decisions.
- Sec. 208. Metrics and standards.
- Sec. 209. Passenger train performance.
- Sec. 210. Long distance routes.
- Sec. 210A. Report on service delays on certain passenger rail routes.
- Sec. 211. Alternate passenger rail service program.
- Sec. 212. Employee transition assistance.
- Sec. 213. Northeast Corridor state-of-good-repair plan.
- Sec. 214. Northeast Corridor infrastructure and operations improvements.
- Sec. 215. Restructuring long-term debt and capital leases.
- Sec. 216. Study of compliance requirements at existing intercity rail stations.
- Sec. 217. Incentive pay.
- Sec. 218. Access to Amtrak equipment and services.
- Sec. 219. General Amtrak provisions.

- Sec. 220. Private sector funding of passenger trains.
- Sec. 221. On-board service improvements.
- Sec. 222. Amtrak management accountability.
- Sec. 223. Locomotive biodiesel fuel use study.
- Sec. 224. Sense of the Senate regarding the need to maintain Amtrak as a national passenger rail system.
- Sec. 225. Passenger rail study.
- TITLE III—INTERCITY PASSENGER RAIL POLICY**
- Sec. 301. Capital assistance for intercity passenger rail service; State rail plans.
- Sec. 302. State rail plans.
- Sec. 303. Next generation corridor train equipment pool.
- Sec. 304. Federal rail policy.
- Sec. 305. Rail cooperative research program.
- Sec. 306. Passenger rail system comparison study.

**TITLE IV—MISCELLANEOUS**

- Sec. 401. Strategic plan on expanded cross-border passenger rail service during the 2010 Olympic Games.

**TITLE I—AUTHORIZATIONS**

**SEC. 101. AUTHORIZATION FOR AMTRAK CAPITAL AND OPERATING EXPENSES AND STATE CAPITAL GRANTS.**

(a) OPERATING GRANTS.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for operating costs the following amounts:

- (1) For fiscal year 2007, \$580,000,000.
- (2) For fiscal year 2008, \$590,000,000.
- (3) For fiscal year 2009, \$600,000,000.
- (4) For fiscal year 2010, \$575,000,000.
- (5) For fiscal year 2011, \$535,000,000.
- (6) For fiscal year 2012, \$455,000,000.

(b) CAPITAL GRANTS.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for capital projects (as defined in subparagraphs (A) and (B) of section 24401(2) of title 49, United States Code) to bring the Northeast Corridor (as defined in section 24102(a)) to a state-of-good-repair, for capital expenses of the national railroad passenger transportation system, and for purposes of making capital grants under section 24402 of that title to States, the following amounts:

- (1) For fiscal year 2007, \$813,000,000.
- (2) For fiscal year 2008, \$910,000,000.
- (3) For fiscal year 2009, \$1,071,000,000.
- (4) For fiscal year 2010, \$1,096,000,000.
- (5) For fiscal year 2011, \$1,191,000,000.
- (6) For fiscal year 2012, \$1,231,000,000.

(c) AMOUNTS FOR STATE GRANTS.—Out of the amounts authorized under subsection (b), the following percentage shall be available each fiscal year for capital grants to States under section 24402 of title 49, United States Code, to be administered by the Secretary of Transportation:

- (1) 3 percent for fiscal year 2007.
- (2) 11 percent for fiscal year 2008.
- (3) 23 percent for fiscal year 2009.
- (4) 25 percent for fiscal year 2010.
- (5) 31 percent for fiscal year 2011.
- (6) 33 percent for fiscal year 2012.

(d) PROJECT MANAGEMENT OVERSIGHT.—The Secretary may withhold up to ½ of 1 percent of amounts appropriated pursuant to subsection (b) for the costs of project management oversight of capital projects carried out by Amtrak.

**SEC. 102. AUTHORIZATION FOR THE FEDERAL RAILROAD ADMINISTRATION.**

There are authorized to be appropriated to the Secretary of Transportation for the use of the Federal Railroad Administration such sums as necessary to implement the provisions required under this Act for fiscal years 2007 through 2012.

**SEC. 103. REPAYMENT OF LONG-TERM DEBT AND CAPITAL LEASES.**

(a) AMTRAK PRINCIPAL AND INTEREST PAYMENTS.—

(1) PRINCIPAL ON DEBT SERVICE.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for retirement of principal on loans for capital equipment, or capital leases, not more than the following amounts:

- (A) For fiscal year 2007, \$153,900,000.
- (B) For fiscal year 2008, \$153,400,000.
- (C) For fiscal year 2009, \$180,600,000.
- (D) For fiscal year 2010, \$182,800,000.
- (E) For fiscal year 2011, \$189,400,000.
- (F) For fiscal year 2012, \$202,600,000.

(2) INTEREST ON DEBT.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for the payment of interest on loans for capital equipment, or capital leases, the following amounts:

- (A) For fiscal year 2007, \$139,600,000.
- (B) For fiscal year 2008, \$131,300,000.
- (C) For fiscal year 2009, \$121,700,000.
- (D) For fiscal year 2010, \$111,900,000.
- (E) For fiscal year 2011, \$101,900,000.
- (F) For fiscal year 2012, \$90,200,000.

(3) EARLY BUYOUT OPTION.—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary for the use of Amtrak for the payment of costs associated with early buyout options if the exercise of those options is determined to be advantageous to Amtrak.

(4) LEGAL EFFECT OF PAYMENTS UNDER THIS SECTION.—The payment of principal and interest on secured debt, with the proceeds of grants authorized by this section shall not—

(A) modify the extent or nature of any indebtedness of the National Railroad Passenger Corporation to the United States in existence of the date of enactment of this Act;

(B) change the private nature of Amtrak's or its successors' liabilities; or

(C) imply any Federal guarantee or commitment to amortize Amtrak's outstanding indebtedness.

**SEC. 104. EXCESS RAILROAD RETIREMENT.**

There are authorized to be appropriated to the Secretary of Transportation, beginning with fiscal year 2007, such sums as may be necessary to pay to the Railroad Retirement Account an amount equal to the amount Amtrak must pay under section 3221 of the Internal Revenue Code of 1986 in such fiscal years that is more than the amount needed for benefits for individuals who retire from Amtrak and for their beneficiaries. For each fiscal year in which the Secretary makes such a payment, the amounts authorized by section 101(a) shall be reduced by an amount equal to such payment.

**SEC. 105. OTHER AUTHORIZATIONS.**

There are authorized to be appropriated to the Secretary of Transportation—

(1) \$5,000,000 for each of fiscal years 2007 through 2012 to carry out the rail cooperative research program under section 24910 of title 49, United States Code;

(2) \$5,000,000 for fiscal year 2008, to remain available until expended, for grants to Amtrak and States participating in the Next Generation Corridor Train Equipment Pool Committee established under section 303 of this Act for the purpose of designing, developing specifications for, and initiating the procurement of an initial order of 1 or more types of standardized next-generation corridor train equipment and establishing a jointly-owned corporation to manage that equipment; and

(3) \$2,000,000 for fiscal year 2008, for the use of Amtrak in conducting the evaluation required by section 216 of this Act.

**TITLE II—AMTRAK REFORM AND OPERATIONAL IMPROVEMENTS**

**SEC. 201. NATIONAL RAILROAD PASSENGER TRANSPORTATION SYSTEM DEFINED.**

(a) IN GENERAL.—Section 24102 is amended—

(1) by striking paragraph (2);

(2) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively; and

(3) by inserting after paragraph (4) as so redesignated the following:

“(5) ‘national rail passenger transportation system’ means—

“(A) the segment of the Northeast Corridor between Boston, Massachusetts and Washington, DC;

“(B) rail corridors that have been designated by the Secretary of Transportation as high-speed corridors (other than corridors described in subparagraph (A)), but only after they have been improved to permit operation of high-speed service;

“(C) long distance routes of more than 750 miles between endpoints operated by Amtrak as of the date of enactment of the Passenger Rail Investment and Improvement Act of 2007; and

“(D) short-distance corridors, or routes of not more than 750 miles between endpoints, operated by—

“(i) Amtrak; or

“(ii) another rail carrier that receives funds under chapter 244.”

(b) AMTRAK ROUTES WITH STATE FUNDING.—

(1) IN GENERAL.—Chapter 247 is amended by inserting after section 24701 the following:

“**§24702. Transportation requested by States, authorities, and other persons**

“(a) CONTRACTS FOR TRANSPORTATION.—Amtrak may enter into a contract with a State, a regional or local authority, or another person for Amtrak to operate an intercity rail service or route not included in the national rail passenger transportation system upon such terms as the parties thereto may agree.

“(b) DISCONTINUANCE.—Upon termination of a contract entered into under this section, or the cessation of financial support under such a contract by either party, Amtrak may discontinue such service or route, notwithstanding any other provision of law.”

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 247 is amended by inserting after the item relating to section 24701 the following:

“24702. Transportation requested by States, authorities, and other persons.”

(c) AMTRAK TO CONTINUE TO PROVIDE NON-HIGH-SPEED SERVICES.—Nothing in this Act is intended to preclude Amtrak from restoring, improving, or developing non-high-speed intercity passenger rail service.

(d) APPLICABILITY OF SECTION 24706.—Section 24706 is amended by adding at the end the following:

“(c) APPLICABILITY.—This section applies to all service over routes provided by Amtrak, notwithstanding any provision of section 24701 of this title or any other provision of this title except section 24702(b).”

(e) AMTRAK'S MISSION.—

(1) Section 24101 is amended—

(A) by striking “purpose” in the section heading and inserting “mission”;

(B) by striking subsection (b) and inserting the following:

“(b) MISSION.—

“(1) IN GENERAL.—The mission of Amtrak is to provide efficient and effective intercity passenger rail mobility consisting of high quality service that is trip-time competitive with other intercity travel options and that is consistent with the goals of subsection (d).

“(2) PERFORMANCE MEASUREMENT.—All measurements of Amtrak performance, including decisions on whether, and to what extent, to provide operating subsidies, shall be based on Amtrak’s ability to carry out the mission described in paragraph (1).”; and

(C) by redesignating paragraphs (9) through (11) in subsection (c) as paragraphs (10) through (12), respectively, and inserting after paragraph (8) the following:

“(9) provide redundant or complimentary intercity transportation service to ensure mobility in times of national disaster or other instances where other travel options are not adequately available;”.

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 241 is amended by striking the item relating to section 24101 and inserting the following:

“24101. Findings, mission, and goals”.

**SEC. 202. AMTRAK BOARD OF DIRECTORS.**

(a) IN GENERAL.—Section 24302 is amended to read as follows:

**“§ 24302. Board of directors**

“(a) COMPOSITION AND TERMS.—

“(1) The Board of Directors of Amtrak is composed of the following 10 directors, each of whom must be a citizen of the United States:

“(A) The Secretary of Transportation.

“(B) The President of Amtrak, who shall serve ex officio, as a non-voting member.

“(C) 8 individuals appointed by the President of the United States, by and with the advice and consent of the Senate, with general business and financial experience, experience or qualifications in transportation, freight and passenger rail transportation, travel, hospitality, cruise line, and passenger air transportation businesses, or representatives of employees or users of passenger rail transportation or a State government.

“(2) In selecting individuals described in paragraph (1) for nominations for appointments to the Board, the President shall consult with the Speaker of the House of Representatives, the minority leader of the House of Representatives, the majority leader of the Senate, and the minority leader of the Senate and try to provide adequate and balanced representation of the major geographic regions of the United States served by Amtrak.

“(3) An individual appointed under paragraph (1)(C) of this subsection serves for 5 years or until the individual’s successor is appointed and qualified. Not more than 5 individuals appointed under paragraph (1)(C) may be members of the same political party.

“(4) The Board shall elect a chairman and a vice chairman from among its membership. The vice chairman shall serve as chairman in the absence of the chairman.

“(5) The Secretary may be represented at board meetings by the Secretary’s designee.

“(6) The voting privileges of the President can be changed by a unanimous decision of the Board.

“(b) PAY AND EXPENSES.—Each director not employed by the United States Government is entitled to \$300 a day when performing Board duties. Each Director is entitled to reimbursement for necessary travel, reasonable secretarial and professional staff support, and subsistence expenses incurred in attending Board meetings.

“(c) VACANCIES.—A vacancy on the Board is filled in the same way as the original selection, except that an individual appointed by the President of the United States under subsection (a)(1)(C) of this section to fill a vacancy occurring before the end of the term for which the predecessor of that individual was appointed is appointed for the remainder of that term. A vacancy required to be filled by appointment under subsection (a)(1)(C) must be filled not later than 120 days after the vacancy occurs.

“(d) QUORUM.—A majority of the members serving shall constitute a quorum for doing business.

“(e) BYLAWS.—The Board may adopt and amend bylaws governing the operation of Amtrak. The bylaws shall be consistent with this part and the articles of incorporation.”.

(b) EFFECTIVE DATE FOR DIRECTORS’ PROVISION.—The amendment made by subsection (a) shall take effect on October 1, 2007. The members of the Amtrak Board serving on the date of enactment of this Act may continue to serve for the remainder of the term to which they were appointed.

**SEC. 203. ESTABLISHMENT OF IMPROVED FINANCIAL ACCOUNTING SYSTEM.**

(a) IN GENERAL.—The Amtrak Board of Directors—

(1) may employ an independent financial consultant with experience in railroad accounting to assist Amtrak in improving Amtrak’s financial accounting and reporting system and practices;

(2) shall implement a modern financial accounting and reporting system; and

(3) shall, not later than 90 days after the end of each fiscal year through fiscal year 2012—

(A) submit to Congress a comprehensive report that allocates all of Amtrak’s revenues and costs to each of its routes, each of its lines of business, and each major activity within each route and line of business activity, including—

- (i) train operations;
- (ii) equipment maintenance;
- (iii) food service;
- (iv) sleeping cars;
- (v) ticketing; and
- (vi) reservations;

(B) include the report described in subparagraph (A) in Amtrak’s annual report; and

(C) post such report on Amtrak’s website.

(b) VERIFICATION OF SYSTEM; REPORT.—The Inspector General of the Department of Transportation shall review the accounting system designed and implemented under subsection (a) to ensure that it accomplishes the purposes for which it is intended. The Inspector General shall report his findings and conclusions, together with any recommendations, to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

(c) CATEGORIZATION OF REVENUES AND EXPENSES.—

(1) IN GENERAL.—In carrying out subsection (a), the Amtrak Board of Directors shall separately categorize routes, assigned revenues, and attributable expenses by type of service, including long distance routes, State-sponsored routes, commuter contract routes, and Northeast Corridor routes.

(2) NORTHEAST CORRIDOR.—Amtrak revenues generated by freight and commuter railroads operating on the Northeast Corridor shall be separately listed to include the charges per car mile assessed by Amtrak to other freight and commuter railroad entities.

(3) FIXED OVERHEAD EXPENSES.—Fixed overhead expenses that are not directly assigned or attributed to any route (or group of routes) shall be listed separately by line item and expense category.

**SEC. 204. DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.**

(a) DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.—The Amtrak Board of Directors shall submit an annual budget and business plan for Amtrak, and a 5-year financial plan for the fiscal year to which that budget and business plan relate and the subsequent 4 years, prepared in accordance with this section, to the Secretary of Transportation and the Inspector General of the Department of Transportation no later than—

(1) the first day of each fiscal year beginning after the date of enactment of this Act; or

(2) the date that is 60 days after the date of enactment of an appropriation Act for the fiscal year, if later.

(b) CONTENTS OF 5-YEAR FINANCIAL PLAN.—The 5-year financial plan for Amtrak shall include, at a minimum—

(1) all projected revenues and expenditures for Amtrak, including governmental funding sources;

(2) projected ridership levels for all Amtrak passenger operations;

(3) revenue and expenditure forecasts for non-passenger operations;

(4) capital funding requirements and expenditures necessary to maintain passenger service which will accommodate predicted ridership levels and predicted sources of capital funding;

(5) operational funding needs, if any, to maintain current and projected levels of passenger service, including state-supported routes and predicted funding sources;

(6) projected capital and operating requirements, ridership, and revenue for any new passenger service operations or service expansions;

(7) an assessment of the continuing financial stability of Amtrak, as indicated by factors such as the ability of the Federal government to fund capital and operating requirements adequately, Amtrak’s ability to efficiently manage its workforce, and Amtrak’s ability to effectively provide passenger train service;

(8) estimates of long-term and short-term debt and associated principal and interest payments (both current and anticipated);

(9) annual cash flow forecasts;

(10) a statement describing methods of estimation and significant assumptions;

(11) specific measures that demonstrate measurable improvement year over year in Amtrak’s ability to operate with reduced Federal operating assistance;

(12) prior fiscal year and projected operating ratio, cash operating loss, and cash operating loss per passenger on a route, business line, and corporate basis;

(13) prior fiscal year and projected specific costs and savings estimates resulting from reform initiatives;

(14) prior fiscal year and projected labor productivity statistics on a route, business line, and corporate basis;

(15) prior fiscal year and projected equipment reliability statistics; and

(16) capital and operating expenditure for anticipated security needs.

(c) STANDARDS TO PROMOTE FINANCIAL STABILITY.—In meeting the requirements of subsection (b), Amtrak shall—

(1) apply sound budgetary practices, including reducing costs and other expenditures, improving productivity, increasing revenues, or combinations of such practices;

(2) use the categories specified in the financial accounting and reporting system developed under section 203 when preparing its 5-year financial plan; and

(3) ensure that the plan is consistent with the authorizations of appropriations under title I of this Act.

(d) ASSESSMENT BY DOT INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the Department of Transportation shall assess the 5-year financial plans prepared by Amtrak under this section to determine whether they meet the requirements of subsection (b), and may suggest revisions to any components thereof that do not meet those requirements.

(2) ASSESSMENT TO BE FURNISHED TO THE CONGRESS.—The Inspector General shall furnish to the House of Representatives Committee on Appropriations, the Senate Committee on Appropriations, the House of Representatives Committee on Transportation and Infrastructure, and the Senate Committee on Commerce, Science, and Transportation—

(A) an assessment of the annual budget within 90 days after receiving it from Amtrak; and

(B) an assessment of the remaining 4 years of the 5-year financial plan within 180 days after receiving it from Amtrak.

**SEC. 205. ESTABLISHMENT OF GRANT PROCESS.**

(a) GRANT REQUESTS.—Amtrak shall submit grant requests (including a schedule for the disbursement of funds), consistent with the requirements of this Act, to the Secretary of Transportation for funds authorized to be appropriated to the Secretary for the use of Amtrak under sections 101(a) and (b), 103, and 105.

(b) PROCEDURES FOR GRANT REQUESTS.—The Secretary shall establish substantive and procedural requirements, including schedules, for grant requests under this section not later than 30 days after the date of enactment of this Act and shall transmit copies to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure. As part of those requirements, the Secretary shall require, at a minimum, that Amtrak deposit grant funds, consistent with the appropriated amounts for each area of expenditure in a given fiscal year, in the following 3 accounts:

- (1) The Amtrak Operating account.
- (2) The Amtrak General Capital account.
- (3) The Northeast Corridor Improvement funds account.

Amtrak may not transfer such funds to another account or expend such funds for any purpose other than the purposes covered by the account in which the funds are deposited without approval by the Secretary.

(c) REVIEW AND APPROVAL.—

(1) 30-DAY APPROVAL PROCESS.—The Secretary shall complete the review of a complete grant request (including the disbursement schedule) and approve or disapprove the request within 30 days after the date on which Amtrak submits the grant request. If the Secretary disapproves the request or determines that the request is incomplete or deficient, the Secretary shall include the reason for disapproval or the incomplete items or deficiencies in the notice to Amtrak.

(2) 15-DAY MODIFICATION PERIOD.—Within 15 days after receiving notification from the Secretary under the preceding sentence, Amtrak shall submit a modified request for the Secretary's review.

(3) REVISED REQUESTS.—Within 15 days after receiving a modified request from Amtrak, the Secretary shall either approve the modified request, or, if the Secretary finds that the request is still incomplete or deficient, the Secretary shall identify in writing to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure the remaining deficiencies and recommend a process for resolving the outstanding portions of the request.

**SEC. 206. STATE-SUPPORTED ROUTES.**

(a) IN GENERAL.—Within 2 years after the date of enactment of this Act, the Board of Directors of Amtrak, in consultation with the Secretary of Transportation and the governors of each relevant State and the Mayor of the District of Columbia or groups representing those officials, shall develop and

implement a single, Nationwide standardized methodology for establishing and allocating the operating and capital costs among the States and Amtrak associated with trains operated on routes described in section 24102(5)(B) or (D) or section 24702 that—

(1) ensures, within 5 years after the date of enactment of this Act, equal treatment in the provision of like services of all States and groups of States (including the District of Columbia); and

(2) allocates to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 route.

(b) REVIEW.—If Amtrak and the States (including the District of Columbia) in which Amtrak operates such routes do not voluntarily adopt and implement the methodology developed under subsection (a) in allocating costs and determining compensation for the provision of service in accordance with the date established therein, the Surface Transportation Board shall determine the appropriate methodology required under subsection (a) for such services in accordance with the procedures and procedural schedule applicable to a proceeding under section 24904(c) of title 49, United States Code, and require the full implementation of this methodology with regards to the provision of such service within 1 year after the Board's determination of the appropriate methodology.

(c) USE OF CHAPTER 244 FUNDS.—Funds provided to a State under chapter 244 of title 49, United States Code, may be used, as provided in that chapter, to pay capital costs determined in accordance with this section.

**SEC. 207. INDEPENDENT AUDITOR TO ESTABLISH METHODOLOGIES FOR AMTRAK ROUTE AND SERVICE PLANNING DECISIONS.**

(a) METHODOLOGY DEVELOPMENT.—The Federal Railroad Administration shall obtain the services of an independent auditor or consultant to develop and recommend objective methodologies for determining intercity passenger routes and services, including the establishment of new routes, the elimination of existing routes, and the contraction or expansion of services or frequencies over such routes. In developing such methodologies, the auditor or consultant shall consider—

(1) the current or expected performance and service quality of intercity passenger train operations, including cost recovery, on-time performance and minutes of delay, ridership, on-board services, stations, facilities, equipment, and other services;

(2) connectivity of a route with other routes;

(3) the transportation needs of communities and populations that are not well served by intercity passenger rail service or by other forms of public transportation;

(4) Amtrak's and other major intercity passenger rail service providers in other countries' methodologies for determining intercity passenger rail routes and services; and

(5) the views of the States and other interested parties.

(b) SUBMITTAL TO CONGRESS.—The auditor or consultant shall submit recommendations developed under subsection (a) to Amtrak, the House of Representatives Committee on Transportation and Infrastructure, and the Senate Committee on Commerce, Science, and Transportation.

(c) CONSIDERATION OF RECOMMENDATIONS.—Within 90 days after receiving the recommendations developed under subsection (a) by the independent auditor or consultant, the Amtrak Board shall consider the adoption of those recommendations. The Board

shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure explaining its action in adopting or failing to adopt any of the recommendations.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be made available to the Secretary of Transportation, out of any amounts authorized by this Act to be appropriated for the benefit of Amtrak and not otherwise obligated or expended, such sums as may be necessary to carry out this section.

(e) PIONEER ROUTE.—Not later than 1 year after the date of the enactment of this Act, Amtrak shall conduct a 1-time evaluation of passenger rail service between Seattle and Chicago (commonly known as the "Pioneer Route"), which was operated by Amtrak until 1997, using methodologies adopted under subsection (c), to determine whether to reinstate passenger rail service along the Pioneer Route or along segments of such route.

(f) NORTH COAST HIAWATHA ROUTE.—Not later than 1 year after the date of enactment of this Act, Amtrak shall conduct a 1-time evaluation of passenger rail service between Chicago and Seattle, through Southern Montana (commonly known as the "North Coast Hiawatha Route"), which was operated by Amtrak until 1979, using methodologies adopted under subsection (c), to determine whether to reinstate passenger rail service along the North Coast Hiawatha Route or along segments of such route, provided that such service will not negatively impact existing Amtrak routes.

**SEC. 208. METRICS AND STANDARDS.**

(a) IN GENERAL.—Within 180 days after the date of enactment of this Act, the Administrator of the Federal Railroad Administration and Amtrak shall jointly, in consultation with the Surface Transportation Board, rail carriers over whose rail lines Amtrak trains operate, States, Amtrak employees, and groups representing Amtrak passengers, as appropriate, develop new or improve existing metrics and minimum standards for measuring the performance and service quality of intercity passenger train operations, including cost recovery, on-time performance and minutes of delay, ridership, on-board services, stations, facilities, equipment, and other services. Such metrics, at a minimum, shall include the percentage of avoidable and fully allocated operating costs covered by passenger revenues on each route, ridership per train mile operated, measures of on-time performance and delays incurred by intercity passenger trains on the rail lines of each rail carrier and, for long distance routes, measures of connectivity with other routes in all regions currently receiving Amtrak service and the transportation needs of communities and populations that are not well-served by other forms of public transportation. Amtrak shall provide reasonable access to the Federal Railroad Administration in order to enable the Administration to carry out its duty under this section.

(b) QUARTERLY REPORTS.—The Administrator of the Federal Railroad Administration shall collect the necessary data and publish a quarterly report on the performance and service quality of intercity passenger train operations, including Amtrak's cost recovery, ridership, on-time performance and minutes of delay, causes of delay, on-board services, stations, facilities, equipment, and other services.

(c) CONTRACT WITH HOST RAIL CARRIERS.—To the extent practicable, Amtrak and its host rail carriers shall incorporate the metrics and standards developed under subsection (a) into their access and service agreements.

(d) **ARBITRATION.**—If the development of the metrics and standards is not completed within the 180-day period required by subsection (a), any party involved in the development of those standards may petition the Surface Transportation Board to appoint an arbitrator to assist the parties in resolving their disputes through binding arbitration.

**SEC. 209. PASSENGER TRAIN PERFORMANCE.**

(a) **IN GENERAL.**—Section 24308 is amended by adding at the end the following:

“(f) **PASSENGER TRAIN PERFORMANCE AND OTHER STANDARDS.**—

“(1) **INVESTIGATION OF SUBSTANDARD PERFORMANCE.**—If the on-time performance of any intercity passenger train averages less than 80 percent for any 2 consecutive calendar quarters, or the service quality of intercity passenger train operations for which minimum standards are established under section 208 of the Passenger Rail Investment and Improvement Act of 2007 fails to meet those standards for 2 consecutive calendar quarters, the Surface Transportation Board may initiate an investigation, or upon the filing of a complaint by Amtrak, an intercity passenger rail operator, a host freight railroad over which Amtrak operates, or an entity for which Amtrak operates intercity passenger rail service, the Board shall initiate an investigation to determine whether, and to what extent, delays or failure to achieve minimum standards are due to causes that could reasonably be addressed by a rail carrier over tracks of which the intercity passenger train operates or reasonably addressed by Amtrak or other intercity passenger rail operator. As part of its investigation, the Board has authority to review the accuracy of the train performance data. In making its determination or carrying out such an investigation, the Board shall obtain information from all parties involved and identify reasonable measures and make recommendations to improve the service, quality, and on-time performance of the train.

“(2) **PROBLEMS CAUSED BY HOST RAIL CARRIER.**—If the Board determines that delays or failures to achieve minimum standards investigated under paragraph (1) are attributable to a rail carrier's failure to provide preference to Amtrak over freight transportation as required under subsection (c), the Board may award damages against the host rail carrier, including prescribing such other relief to Amtrak as it determines to be reasonable and appropriate pursuant to paragraph (3) of this subsection.

“(3) **DAMAGES AND RELIEF.**—In awarding damages and prescribing other relief under this subsection the Board shall consider such factors as—

“(A) the extent to which Amtrak suffers financial loss as a result of host rail carrier delays or failure to achieve minimum standards; and

“(B) what reasonable measures would adequately deter future actions which may reasonably be expected to be likely to result in delays to Amtrak on the route involved.

“(4) **USE OF DAMAGES.**—The Board shall, as it deems appropriate, order the host rail carrier to remit the damages awarded under this subsection to Amtrak or to an entity for which Amtrak operates intercity passenger rail service. Such damages shall be used for capital or operating expenditures on the routes over which delays or failures to achieve minimum standards were the result of a rail carrier's failure to provide preference to Amtrak over freight transportation as determined in accordance with paragraph (2).”

(b) **FEEs.**—The Surface Transportation Board may establish and collect filing fees from any entity that files a complaint under section 24308(f)(1) of title 49, United States

Code, or otherwise requests or requires the Board's services pursuant to this Act. The Board shall establish such fees at levels that will fully or partially, as the Board determines to be appropriate, offset the costs of adjudicating complaints under that section and other requests or requirements for Board action under this Act. The Board may waive any fee established under this subsection for any governmental entity as determined appropriate by the Board.

(c) **AUTHORIZATION OF ADDITIONAL STAFF.**—The Surface Transportation Board may increase the number of Board employees by up to 15 for the 5 fiscal year period beginning with fiscal year 2008 to carry out its responsibilities under section 24308 of title 49, United States Code, and this Act.

(d) **CHANGE OF REFERENCE.**—Section 24308 is amended—

(1) by striking “Interstate Commerce Commission” in subsection (a)(2)(A) and inserting “Surface Transportation Board”;

(2) by striking “Commission” each place it appears and inserting “Board”;

(3) by striking “Secretary of Transportation” in subsection (c) and inserting “Board”;

(4) by striking “Secretary” the last 3 places it appears in subsection (c) and each place it appears in subsections (d) and (e) and inserting “Board”.

**SEC. 210. LONG DISTANCE ROUTES.**

(a) **IN GENERAL.**—Chapter 247 is amended by adding at the end thereof the following:

“§ 24710. Long distance routes

“(a) **ANNUAL EVALUATION.**—Using the financial and performance metrics developed under section 208 of the Passenger Rail Investment and Improvement Act of 2007, Amtrak shall—

“(1) evaluate annually the financial and operating performance of each long distance passenger rail route operated by Amtrak; and

“(2) rank the overall performance of such routes for 2006 and identify each long distance passenger rail route operated by Amtrak in 2006 according to its overall performance as belonging to the best performing third of such routes, the second best performing third of such routes, or the worst performing third of such routes.

“(b) **PERFORMANCE IMPROVEMENT PLAN.**—Amtrak shall develop and publish a performance improvement plan for its long distance passenger rail routes to achieve financial and operating improvements based on the data collected through the application of the financial and performance metrics developed under section 208 of that Act. The plan shall address—

“(1) on-time performance;

“(2) scheduling, frequency, routes, and stops;

“(3) the feasibility of restructuring service into connected corridor service;

“(4) performance-related equipment changes and capital improvements;

“(5) on-board amenities and service, including food, first class, and sleeping car service;

“(6) State or other non-Federal financial contributions;

“(7) improving financial performance; and

“(8) other aspects of Amtrak's long distance passenger rail routes that affect the financial, competitive, and functional performance of service on Amtrak's long distance passenger rail routes.

“(c) **IMPLEMENTATION.**—Amtrak shall implement the performance improvement plan developed under subsection (b)—

“(1) beginning in fiscal year 2008 for those routes identified as being in the worst performing third under subsection (a)(2);

“(2) beginning in fiscal year 2009 for those routes identified as being in the second best performing third under subsection (a)(2); and

“(3) beginning in fiscal year 2010 for those routes identified as being in the best performing third under subsection (a)(2).

“(d) **ENFORCEMENT.**—The Federal Railroad Administration shall monitor the development, implementation, and outcome of improvement plans under this section. If, for any year, it determines that Amtrak is not making reasonable progress in implementing its performance improvement plan or in achieving the expected outcome of the plan for any calendar year, the Federal Railroad Administration—

“(1) shall notify Amtrak, the Inspector General of the Department of Transportation, and appropriate Congressional committees of its determination under this subsection;

“(2) shall provide an opportunity for a hearing with respect to that determination; and

“(3) may withhold any appropriated funds otherwise available to Amtrak for the operation of a route or routes on which it is not making progress, other than funds made available for passenger safety or security measures.”

(b) **CONFORMING AMENDMENT.**—The chapter analysis for chapter 247 is amended by inserting after the item relating to section 24709 the following:

“24710. Long distance routes.”

**SEC. 210A. REPORT ON SERVICE DELAYS ON CERTAIN PASSENGER RAIL ROUTES.**

Not later than 6 months after the date of the enactment of this Act, the Inspector General of the Department of Transportation shall submit to Congress a report that—

(1) describes service delays and the sources of such delays on—

(A) the Amtrak passenger rail route between Seattle, Washington, and Los Angeles, California (commonly known as the “Coast Starlight”); and

(B) the Amtrak passenger rail route between Vancouver, British Columbia, Canada, and Eugene, Oregon (commonly known as “Amtrak Cascades”); and

(2) contains recommendations for improving the on-time performance of such routes.

**SEC. 211. ALTERNATE PASSENGER RAIL SERVICE PROGRAM.**

(a) **IN GENERAL.**—Chapter 247, as amended by section 209, is amended by adding at the end thereof the following:

“§ 24711. Alternate passenger rail service program

“(a) **IN GENERAL.**—Within 1 year after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007, the Federal Railroad Administration shall initiate a rulemaking proceeding to develop a program under which—

“(1) a rail carrier or rail carriers that own infrastructure over which Amtrak operates a passenger rail service route described in subparagraph (B), (C), or (D) of section 24102(5) or in section 24702 of title 49, United States Code, or any entity operating as a rail carrier that has negotiated a contingent agreement to lease necessary rights-of-way from a rail carrier or rail carriers that own the infrastructure on which Amtrak operates such routes, may petition the Federal Railroad Administration to be considered as a passenger rail service provider over that route in lieu of Amtrak;

“(2) the Administration would notify Amtrak within 30 days after receiving a petition under paragraph (1) and establish a deadline by which both the petitioner and Amtrak would be required to submit a bid to provide passenger rail service over the route to which the petition relates;

“(3) each bid would describe how the bidder would operate the route, what Amtrak passenger equipment would be needed, if any, what sources of non-Federal funding the bidder would use, including any State subsidy, among other things;

“(4) the Administration would make a decision and execute a contract within a specified, limited time after that deadline awarding to the winning bidder—

“(A) the right and obligation to provide passenger rail service over that route subject to such performance standards as the Administration may require, consistent with the standards developed under section 208 of this Act; and

“(B) an operating subsidy—

“(i) for the first year at a level not in excess of the level in effect during the fiscal year preceding the fiscal year in which the petition was received, adjusted for inflation;

“(ii) for any subsequent years at such level, adjusted for inflation; and

“(5) each bid would contain a staffing plan describing the number of employees needed to operate the service, the job assignments and requirements, and the terms of work for prospective and current employees of the bidder for the service outlined in the bid, and such staffing plan would be made available by the winning bidder to the public after the bid award.

“(b) IMPLEMENTATION.—

“(1) INITIAL PETITIONS.—Pursuant to any rules or regulations promulgated under subsection (A), the Administration shall establish a deadline for the submission of a petition under subsection (a)—

“(A) during fiscal year 2008 for operations commencing in fiscal year 2009; and

“(B) during the immediately preceding fiscal year for operations commencing in subsequent fiscal years.

“(2) ROUTE LIMITATIONS.—The Administration may not make the program available with respect to more than 1 Amtrak passenger rail route for operations beginning in fiscal year 2009 nor to more than 2 such routes for operations beginning in fiscal year 2011 and subsequent fiscal years.

“(c) PERFORMANCE STANDARDS; ACCESS TO FACILITIES; EMPLOYEES.—If the Administration awards the right and obligation to provide passenger rail service over a route under the program to a rail carrier or rail carriers—

“(1) it shall execute a contract with the rail carrier or rail carriers for rail passenger operations on that route that conditions the operating and subsidy rights upon—

“(A) the service provider continuing to provide passenger rail service on the route that is no less frequent, nor over a shorter distance, than Amtrak provided on that route before the award; and

“(B) the service provider’s compliance with the minimum standards established under section 208 of the Passenger Rail Investment and Improvement Act of 2007 and such additional performance standards as the Administration may establish;

“(2) it shall, if the award is made to a rail carrier other than Amtrak, require Amtrak to provide access to its reservation system, stations, and facilities to any rail carrier or rail carriers awarded a contract under this section, in accordance with section 218 of that Act, necessary to carry out the purposes of this section;

“(3) the employees of any person used by a rail carrier or rail carriers (as defined in section 10102(5) of this title) in the operation of a route under this section shall be considered an employee of that carrier or carriers and subject to the applicable Federal laws and regulations governing similar crafts or classes of employees of Amtrak, including provisions under section 121 of the Amtrak Re-

form and Accountability Act of 1997 relating to employees that provide food and beverage service; and

“(4) the winning bidder shall provide preference in hiring to qualified Amtrak employees displaced by the award of the bid, consistent with the staffing plan submitted by the bidder.

“(d) CESSATION OF SERVICE.—If a rail carrier or rail carriers awarded a route under this section cease to operate the service or fail to fulfill their obligations under the contract required under subsection (c), the Administrator, in collaboration with the Surface Transportation Board shall take any necessary action consistent with this title to enforce the contract and ensure the continued provision of service, including the installment of an interim service provider and re-bidding the contract to operate the service. The entity providing service shall either be Amtrak or a rail carrier defined in section 24711(a)(1).

“(e) ADEQUATE RESOURCES.—Before taking any action allowed under this section, the Secretary shall certify that the Administrator has sufficient resources that are adequate to undertake the program established under this section.”

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 247, as amended by section 209, is amended by inserting after the item relating to section 24710 the following:

“24711. Alternate passenger rail service program.”

#### SEC. 212. EMPLOYEE TRANSITION ASSISTANCE.

(a) PROVISION OF FINANCIAL INCENTIVES.—For Amtrak employees who are adversely affected by the cessation of the operation of a long distance route or any other route under section 24711 of title 49, United States Code, previously operated by Amtrak, the Secretary shall develop a program under which the Secretary may, in the Secretary’s discretion, provide grants for financial incentives to be provided to employees of the National Railroad Passenger Corporation who voluntarily terminate their employment with the Corporation and relinquish any legal rights to receive termination-related payments under any contractual agreement with the Corporation.

(b) CONDITIONS FOR FINANCIAL INCENTIVES.—As a condition for receiving financial assistance grants under this section, the Corporation must certify that—

(1) a reasonable attempt was made to reassign an employee adversely affected under section 24711 of title 49, United States Code, or by the elimination of any route, to other positions within the Corporation in accordance with any contractual agreements;

(2) the financial assistance results in a net reduction in the total number of employees equal to the number receiving financial incentives;

(3) the financial assistance results in a net reduction in total employment expense equivalent to the total employment expenses associated with the employees receiving financial incentives; and

(4) the total number of employees eligible for termination-related payments will not be increased without the express written consent of the Secretary.

(c) AMOUNT OF FINANCIAL INCENTIVES.—The financial incentives authorized under this section may be no greater than \$50,000 per employee.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Secretary such sums as may be necessary to make grants to the National Railroad Passenger Corporation to provide financial incentives under subsection (a).

(e) TERMINATION-RELATED PAYMENTS.—If Amtrak employees adversely affected by the

cessation of Amtrak service resulting from the awarding of a grant to an operator other than Amtrak for the operation of a route under section 24711 of title 49, United States Code, or any other route, previously operated by Amtrak do not receive financial incentives under subsection (a), then the Secretary shall make grants to the National Railroad Passenger Corporation from funds authorized by section 102 of this Act for termination-related payments to employees under existing contractual agreements.

#### SEC. 213. NORTHEAST CORRIDOR STATE-OF-GOOD-REPAIR PLAN.

(a) IN GENERAL.—Within 6 months after the date of enactment of this Act, the National Railroad Passenger Corporation, in consultation with the Secretary and the States (including the District of Columbia) that make up the Northeast Corridor (as defined in section 24102 of title 49, United States Code), shall prepare a capital spending plan for capital projects required to return the railroad right-of-way (including track, signals, and auxiliary structures), facilities, stations, and equipment, of the Northeast Corridor to a state of good repair by the end of fiscal year 2012, consistent with the funding levels authorized in this Act and shall submit the plan to the Secretary.

(b) APPROVAL BY THE SECRETARY.—

(1) The Corporation shall submit the capital spending plan prepared under this section to the Secretary of Transportation for review and approval pursuant to the procedures developed under section 205 of this Act.

(2) The Secretary of Transportation shall require that the plan be updated at least annually and shall review and approve such updates. During review, the Secretary shall seek comments and review from the commission established under section 24905 of title 49, United States Code, and other Northeast Corridor users regarding the plan.

(3) The Secretary shall make grants to the Corporation with funds authorized by section 101(b) for Northeast Corridor capital investments contained within the capital spending plan prepared by the Corporation and approved by the Secretary.

(4) Using the funds authorized by section 101(d), the Secretary shall review Amtrak’s capital expenditures funded by this section to ensure that such expenditures are consistent with the capital spending plan and that Amtrak is providing adequate project management oversight and fiscal controls.

(c) ELIGIBILITY OF EXPENDITURES.—The Federal share of expenditures for capital improvements under this section may not exceed 100 percent.

#### SEC. 214. NORTHEAST CORRIDOR INFRASTRUCTURE AND OPERATIONS IMPROVEMENTS.

(a) IN GENERAL.—Section 24905 is amended to read as follows:

##### “§ 24905. Northeast Corridor Infrastructure and Operations Advisory Commission; Safety and Security Committee

“(a) NORTHEAST CORRIDOR INFRASTRUCTURE AND OPERATIONS ADVISORY COMMISSION.—

“(1) Within 180 days after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007, the Secretary of Transportation shall establish a Northeast Corridor Infrastructure and Operations Advisory Commission (hereinafter referred to in this section as the ‘Commission’) to promote mutual cooperation and planning pertaining to the rail operations and related activities of the Northeast Corridor. The Commission shall be made up of—

“(A) members representing the National Railroad Passenger Corporation;

“(B) members representing the Secretary of Transportation and the Federal Railroad Administration;



“(C) 1 member from each of the States (including the District of Columbia) that constitute the Northeast Corridor as defined in section 24102, designated by, and serving at the pleasure of, the chief executive officer thereof; and

“(D) non-voting representatives of freight railroad carriers using the Northeast Corridor selected by the Secretary.

“(2) The Secretary shall ensure that the membership belonging to any of the groups enumerated under subparagraph (1) shall not constitute a majority of the commission’s memberships.

“(3) The commission shall establish a schedule and location for convening meetings, but shall meet no less than four times per fiscal year, and the commission shall develop rules and procedures to govern the commission’s proceedings.

“(4) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

“(5) Members shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

“(6) The Chairman of the Commission shall be elected by the members.

“(7) The Commission may appoint and fix the pay of such personnel as it considers appropriate.

“(8) Upon request of the Commission, the head of any department or agency of the United States may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this section.

“(9) Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this section.

“(10) The commission shall consult with other entities as appropriate.

“(b) GENERAL RECOMMENDATIONS.—The Commission shall develop recommendations concerning Northeast Corridor rail infrastructure and operations including proposals addressing, as appropriate—

“(1) short-term and long term capital investment needs beyond the state-of-good-repair under section 213;

“(2) future funding requirements for capital improvements and maintenance;

“(3) operational improvements of intercity passenger rail, commuter rail, and freight rail services;

“(4) opportunities for additional non-rail uses of the Northeast Corridor;

“(5) scheduling and dispatching;

“(6) safety and security enhancements;

“(7) equipment design;

“(8) marketing of rail services; and

“(9) future capacity requirements.

“(c) ACCESS COSTS.—

“(1) DEVELOPMENT OF FORMULA.—Within 1 year after verification of Amtrak’s new financial accounting system pursuant to section 203(b) of the Passenger Rail Investment and Improvement Act of 2007, the Commission shall—

“(A) develop a standardized formula for determining and allocating costs, revenues, and compensation for Northeast Corridor commuter rail passenger transportation, as defined in section 24102 of this title, that use National Railroad Passenger Corporation facilities or services or that provide such facilities or services to the National Railroad Passenger Corporation that ensure that—

“(i) there is no cross-subsidization of commuter rail passenger, intercity rail passenger, or freight rail transportation; and

“(ii) each service is assigned the costs incurred only for the benefit of that service, and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 service;

“(B) develop a proposed timetable for implementing the formula before the end of the 6th year following the date of enactment of that Act;

“(C) transmit the proposed timetable to the Surface Transportation Board; and

“(D) at the request of a Commission member, petition the Surface Transportation Board to appoint a mediator to assist the Commission members through non-binding mediation to reach an agreement under this section.

“(2) IMPLEMENTATION.—The National Railroad Passenger Corporation and the commuter authorities providing commuter rail passenger transportation on the Northeast Corridor shall implement new agreements for usage of facilities or services based on the formula proposed in paragraph (1) in accordance with the timetable established therein. If the entities fail to implement such new agreements in accordance with the timetable, the Commission shall petition the Surface Transportation Board to determine the appropriate compensation amounts for such services in accordance with section 24904(c) of this title. The Surface Transportation Board shall enforce its determination on the party or parties involved.

“(d) TRANSMISSION OF RECOMMENDATIONS.—The commission shall annually transmit the recommendations developed under subsection (b) and the formula and timetable developed under subsection (c)(1) to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

“(e) NORTHEAST CORRIDOR SAFETY AND SECURITY COMMITTEE.—

“(1) IN GENERAL.—The Secretary shall establish a Northeast Corridor Safety and Security Committee composed of members appointed by the Secretary. The members shall be representatives of—

“(A) the Secretary;

“(B) Amtrak;

“(C) freight carriers operating more than 150,000 train miles a year on the main line of the Northeast Corridor;

“(D) commuter agencies;

“(E) rail passengers;

“(F) rail labor;

“(G) the Transportation Security Administration; and

“(H) other individuals and organizations the Secretary decides have a significant interest in rail safety or security.

“(2) FUNCTION; MEETINGS.—The Secretary shall consult with the Committee about safety and security improvements on the Northeast Corridor main line. The Committee shall meet at least once every 2 years to consider safety matters on the main line.

“(3) REPORT.—At the beginning of the first session of each Congress, the Secretary shall submit a report to the Commission and to Congress on the status of efforts to improve safety and security on the Northeast Corridor main line. The report shall include the safety recommendations of the Committee and the comments of the Secretary on those recommendations.”

(b) CONFORMING AMENDMENTS.—Section 24904(c)(2) is amended by—

(1) inserting “commuter rail passenger and” after “between”; and

(2) striking “freight” in the second sentence.

(c) RIDOT ACCESS AGREEMENT.—

(1) IN GENERAL.—Not later than December 15, 2007, Amtrak and the Rhode Island De-

partment of Transportation shall enter into an agreement governing access fees and other costs or charges related to the operation of the South County commuter rail service on the Northeast Corridor between Providence and Wickford Junction, Rhode Island.

(2) FAILURE TO REACH AGREEMENT.—If Amtrak and the Rhode Island Department of Transportation fail to reach the agreement specified under paragraph (1), the Administrator of the Federal Railroad Administration shall, after consultation with both parties, resolve any outstanding disagreements between the parties, including setting access fees and other costs or charges related to the operation of the South County commuter rail service that do not allow for the cross-subsidization of intercity rail passenger and commuter rail passenger service, not later than October 31, 2007.

(3) INTERIM AGREEMENT.—Any agreement between Amtrak and the Rhode Island Department of Transportation relating to access costs made under this subsection shall be superseded by any access cost formula developed by the Northeast Corridor Infrastructure and Operations Advisory Commission under section 24905(c)(1) of title 49, United States Code, as amended by section 214(a) of this Act.

(d) ACELA SERVICE STUDY.—

(1) IN GENERAL.—Amtrak shall conduct a study to determine the infrastructure and equipment improvements necessary to provide regular Acela service—

(A) between Washington, D.C. and New York City in 2 hours and 30 minutes; and

(B) between New York City and Boston in 3 hours and 15 minutes.

(2) ISSUES.—The study conducted under paragraph (1) shall include—

(A) an estimated time frame for achieving the trip time described in paragraph (1);

(B) an analysis of any significant obstacles that would hinder such an achievement; and

(C) a detailed description and cost estimate of the specific infrastructure and equipment improvements necessary for such an achievement.

(3) SECONDARY STUDY.—Amtrak shall provide an initial assessment of the infrastructure and equipment improvements, including an order of magnitude cost estimate of such improvements, that would be necessary to provide regular Acela service—

(A) between Washington, D.C. and New York City in 2 hours and 15 minutes; and

(B) between New York City and Boston in 3 hours.

(4) REPORT.—Not later than February 1, 2008, Amtrak shall submit a written report containing the results of the studies required under this subsection to—

(A) the Committee on Commerce, Science, and Transportation of the Senate;

(B) the Committee on Appropriations of the Senate;

(C) the Committee on Transportation and Infrastructure of the House of Representatives;

(D) the Committee on Appropriations of the House of Representatives; and

(E) the Federal Railroad Administration.

**SEC. 215. RESTRUCTURING LONG-TERM DEBT AND CAPITAL LEASES.**

(a) IN GENERAL.—The Secretary of the Treasury, in consultation with the Secretary of Transportation and Amtrak, may make agreements to restructure Amtrak’s indebtedness as of the date of enactment of this Act. This authorization expires on October 1, 2008.

(b) DEBT RESTRUCTURING.—The Secretary of Treasury, in consultation with the Secretary of the Transportation and Amtrak,

shall enter into negotiations with the holders of Amtrak debt, including leases, outstanding on the date of enactment of this Act for the purpose of restructuring (including repayment) and repaying that debt. The Secretary of the Treasury may secure agreements for restructuring or repayment on such terms as the Secretary of the Treasury deems favorable to the interests of the Government.

(c) **CRITERIA.**—In restructuring Amtrak's indebtedness, the Secretary and Amtrak—

(1) shall take into consideration repayment costs, the term of any loan or loans, and market conditions; and

(2) shall ensure that the restructuring results in significant savings to Amtrak and the United States Government.

(d) **PAYMENT OF RENEGOTIATED DEBT.**—If the criteria under subsection (c) are met, the Secretary of Treasury may assume or repay the restructured debt, as appropriate.

(e) **AMTRAK PRINCIPAL AND INTEREST PAYMENTS.**—

(1) **PRINCIPAL ON DEBT SERVICE.**—Unless the Secretary of Treasury makes sufficient payments to creditors under subsection (d) so that Amtrak is required to make no payments to creditors in a fiscal year, the Secretary of Transportation shall use funds authorized by section 103(a)(1) for the use of Amtrak for retirement of principal on loans for capital equipment, or capital leases.

(2) **INTEREST ON DEBT.**—Unless the Secretary of Treasury makes sufficient payments to creditors under subsection (d) so that Amtrak is required to make no payments to creditors in a fiscal year, the Secretary of Transportation shall use funds authorized by section 103(a)(2) for the use of Amtrak for the payment of interest on loans for capital equipment, or capital leases.

(3) **REDUCTIONS IN AUTHORIZATION LEVELS.**—Whenever action taken by the Secretary of the Treasury under subsection (a) results in reductions in amounts of principal or interest that Amtrak must service on existing debt, the corresponding amounts authorized by section 103(a)(1) or (2) shall be reduced accordingly.

(f) **LEGAL EFFECT OF PAYMENTS UNDER THIS SECTION.**—The payment of principal and interest on secured debt, other than debt assumed under subsection (d), with the proceeds of grants under subsection (e) shall not—

(1) modify the extent or nature of any indebtedness of the National Railroad Passenger Corporation to the United States in existence of the date of enactment of this Act;

(2) change the private nature of Amtrak's or its successors' liabilities; or

(3) imply any Federal guarantee or commitment to amortize Amtrak's outstanding indebtedness.

(g) **SECRETARY APPROVAL.**—Amtrak may not incur more debt after the date of enactment of this Act without the express advance approval of the Secretary of Transportation.

(h) **REPORT.**—The Secretary of the Treasury shall transmit a report to the Senate Committee on Commerce, Science, and Transportation, the Senate Committee on Appropriations, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Appropriations by November 1, 2008—

(1) describing in detail any agreements to restructure the Amtrak debt; and

(2) providing an estimate of the savings to Amtrak and the United States Government.

**SEC. 216. STUDY OF COMPLIANCE REQUIREMENTS AT EXISTING INTERCITY RAIL STATIONS.**

Amtrak, in consultation with station owners, shall evaluate the improvements nec-

essary to make all existing stations it serves readily accessible to and usable by individuals with disabilities, as required by section 242(e)(2) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12162(e)(2)). The evaluation shall include the estimated cost of the improvements necessary, the identification of the responsible person (as defined in section 241(5) of that Act (42 U.S.C. 12161(5))), and the earliest practicable date when such improvements can be made. Amtrak shall submit the evaluation to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the National Council on Disability by September 30, 2008, along with recommendations for funding the necessary improvements.

**SEC. 217. INCENTIVE PAY.**

The Amtrak Board of Directors is encouraged to develop an incentive pay program for Amtrak management employees.

**SEC. 218. ACCESS TO AMTRAK EQUIPMENT AND SERVICES.**

If a State desires to select or selects an entity other than Amtrak to provide services required for the operation of an intercity passenger train route described in section 24102(5)(D) or 24702 of title 49, United States Code, the State may make an agreement with Amtrak to use facilities and equipment of, or have services provided by, Amtrak under terms agreed to by the State and Amtrak to enable the State to utilize an entity other than Amtrak to provide services required for operation of the route. If the parties cannot agree upon terms, and the Surface Transportation Board finds that access to Amtrak's facilities or equipment, or the provision of services by Amtrak, is necessary to carry out this provision and that the operation of Amtrak's other services will not be impaired thereby, the Surface Transportation Board shall, within 120 days after submission of the dispute, issue an order that the facilities and equipment be made available, and that services be provided, by Amtrak, and shall determine reasonable compensation, liability and other terms for use of the facilities and equipment and provision of the services. Compensation shall be determined in accord with the methodology established pursuant to section 206 of this Act.

**SEC. 219. GENERAL AMTRAK PROVISIONS.**

(a) **REPEAL OF SELF-SUFFICIENCY REQUIREMENTS.**

(1) **PLAN REQUIRED.**—Section 24101(d) is amended—

(A) by striking “plan to operate within the funding levels authorized by section 24104 of this chapter, including the budgetary goals for fiscal years 1998 through 2002.” and inserting “plan, consistent with section 204 of the Passenger Rail Investment and Improvement Act of 2007, including the budgetary goals for fiscal years 2007 through 2012.”; and

(B) by striking the last sentence and inserting “Amtrak and its Board of Directors shall adopt a long term plan that minimizes the need for Federal operating subsidies.”.

(2) **AMTRAK REFORM AND ACCOUNTABILITY ACT AMENDMENTS.**—Title II of the Amtrak Reform and Accountability Act of 1997 (49 U.S.C. 24101 nt) is amended by striking sections 204 and 205.

(b) **LEASE ARRANGEMENTS.**—Amtrak may obtain services from the Administrator of General Services, and the Administrator may provide services to Amtrak, under section 201(b) and 211(b) of the Federal Property and Administrative Service Act of 1949 (40 U.S.C. 481(b) and 491(b)) for each of fiscal years 2007 through 2012.

(c) **TRAVEL FACILITATION.**—Using existing authority or agreements, or upon reaching additional agreements with Canada, the Sec-

retary of Transportation and other Federal agencies, as appropriate, are authorized to establish facilities and procedures to conduct preclearance of passengers traveling on Amtrak trains from Canada to the United States. The Secretary shall seek to establish such facilities and procedures—

(1) in Vancouver, Canada, no later than June 1, 2008; and

(2) in other areas as determined appropriate by the Secretary.

**SEC. 220. PRIVATE SECTOR FUNDING OF PASSENGER TRAINS.**

Amtrak is encouraged to increase the operation of trains funded by, or in partnership with, private sector operators through competitive contracting to minimize the need for Federal subsidies. Amtrak shall utilize the provisions of section 24308 of title 49, United States Code, when necessary to obtain access to facilities, train and engine crews, or services of a rail carrier or regional transportation authority that are required to operate such trains.

**SEC. 221. ON-BOARD SERVICE IMPROVEMENTS.**

(a) **IN GENERAL.**—Within 1 year after metrics and standards are established under section 208 of this Act, Amtrak shall develop and implement a plan to improve on-board service pursuant to the metrics and standards for such service developed under that section.

(b) **REPORT.**—Amtrak shall provide a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the on-board service improvements proscribed in the plan and the timeline for implementing such improvements.

**SEC. 222. AMTRAK MANAGEMENT ACCOUNTABILITY.**

(a) **IN GENERAL.**—Chapter 243 is amended by inserting after section 24309 the following: “**§24310. Management accountability**

“(a) **IN GENERAL.**—Three years after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007, and two years thereafter, the Inspector General of the Department of Transportation shall complete an overall assessment of the progress made by Amtrak management and the Department of Transportation in implementing the provisions of that Act.

“(b) **ASSESSMENT.**—The management assessment undertaken by the Inspector General may include a review of—

“(1) effectiveness improving annual financial planning;

“(2) effectiveness in implementing improved financial accounting;

“(3) efforts to implement minimum train performance standards;

“(4) progress maximizing revenues and minimizing Federal subsidies; and

“(5) any other aspect of Amtrak operations the Inspector General finds appropriate to review.”.

(b) **CONFORMING AMENDMENT.**—The chapter analysis for chapter 243 is amended by inserting after the item relating to section 24309 the following:

“24310. Management accountability.”.

**SEC. 223. LOCOMOTIVE BIODIESEL FUEL USE STUDY.**

(a) **IN GENERAL.**—The Federal Railroad Administration, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall conduct a study to determine the extent to which Amtrak could use biodiesel fuel blends to power its fleet of locomotives and any of its other motor vehicles that can operate on diesel fuel.

(b) **FACTORS.**—In conducting the study, the Federal Railroad Administration shall consider—

(1) environmental and energy security effects of biodiesel fuel use;

(2) the cost of purchasing biodiesel fuel blends for such purposes;

(3) whether sufficient biodiesel fuel is readily available; and

(4) the effect of biodiesel fuel use on relevant performance or warranty specifications.

(c) REPORT.—Not later than April 1, 2008, the Federal Railroad Administration shall report the results of its study to the Congress together with such findings, conclusions, and recommendations as it deems appropriate.

**SEC. 224. SENSE OF THE SENATE REGARDING THE NEED TO MAINTAIN AMTRAK AS A NATIONAL PASSENGER RAIL SYSTEM.**

(a) FINDINGS.—The Senate makes the following findings:

(1) In fiscal year 2007, 3,800,000 passengers traveled on Amtrak's long distance trains, an increase of 2.4 percent over fiscal year 2006.

(2) Amtrak long-distance routes generated \$376,000,000 in revenue in fiscal year 2007, an increase of 5 percent over fiscal year 2006.

(3) Amtrak operates 15 long-distance trains over 18,500 route miles that serve 39 States and the District of Columbia. These trains provide the only rail passenger service to 23 States.

(4) Amtrak's long-distance trains provide an essential transportation service for many communities and to a significant percentage of the general public.

(5) Many long-distance trains serve small communities with limited or no significant air or bus service, especially in remote or isolated areas in the United States.

(6) As a result of airline deregulation and decisions by national bus carriers to leave many communities, rail transportation may provide the only feasible common carrier transportation option for a growing number of areas.

(7) If long-distance trains were eliminated, 23 States and 243 communities would be left with no intercity passenger rail service and 16 other States would lose some rail service. These trains provide a strong economic benefit for the States and communities that they serve.

(8) Long-distance trains also provide transportation during periods of severe weather or emergencies that stall other modes of transportation.

(9) Amtrak provided the only reliable long-distance transportation following the September 11, 2001 terrorist attacks that grounded air travel.

(10) The majority of passengers on long-distance trains do not travel between the endpoints, but rather between any combination of cities along the route.

(11) Passenger trains provide transportation options, mobility for underserved populations, congestion mitigation, and jobs in the areas they serve.

(12) Passenger rail has a positive impact on the environment compared to other modes of transportation by conserving energy, reducing greenhouse gas emissions, and cutting down on other airborne particulate and toxic emissions.

(13) Amtrak communities that are served use passenger rail and passenger rail stations as a significant source of economic development.

(14) This Act makes meaningful and important reforms to increase the efficiency, profitability and on-time performance of Amtrak's long-distance routes.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) long-distance passenger rail is a vital and necessary part of our national transportation system and economy; and

(2) Amtrak should maintain a national passenger rail system, including long-distance routes, that connects the continental United States from coast to coast and from border to border.

**SEC. 225. PASSENGER RAIL STUDY.**

(a) IN GENERAL.—The Comptroller General of the General Accountability Office shall conduct a study to determine the potential cost and benefits of expanding passenger rail service options in underserved communities.

(b) SUBMISSION.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit a report containing the results of the study conducted under this section to—

(1) the Committee on Commerce, Science, and Transportation of the Senate; and

(2) the Committee on Transportation and Infrastructure of the House of Representatives.

**TITLE III—INTERCITY PASSENGER RAIL POLICY**

**SEC. 301. CAPITAL ASSISTANCE FOR INTERCITY PASSENGER RAIL SERVICE; STATE RAIL PLANS.**

(a) IN GENERAL.—Part C of subtitle V is amended by inserting the following after chapter 243:

**“CHAPTER 244. INTERCITY PASSENGER RAIL SERVICE CORRIDOR CAPITAL ASSISTANCE**

“Sec.

“24401. Definitions.

“24402. Capital investment grants to support intercity passenger rail service.

“24403. Project management oversight.

“24404. Use of capital grants to finance first-dollar liability of grant project.

“24405. Grant conditions.

**“§ 24401. Definitions**

“In this subchapter:

“(1) APPLICANT.—The term ‘applicant’ means a State (including the District of Columbia), a group of States, an Interstate Compact, or a public agency established by one or more States and having responsibility for providing intercity passenger rail service.

“(2) CAPITAL PROJECT.—The term ‘capital project’ means a project or program in a State rail plan developed under chapter 225 of this title for—

“(A) acquiring, constructing, improving, or inspecting equipment, track and track structures, or a facility for use in or for the primary benefit of intercity passenger rail service, expenses incidental to the acquisition or construction (including designing, engineering, location surveying, mapping, environmental studies, and acquiring rights-of-way), payments for the capital portions of rail trackage rights agreements, highway-rail grade crossing improvements related to intercity passenger rail service, security, mitigating environmental impacts, communication and signalization improvements, relocation assistance, acquiring replacement housing sites, and acquiring, constructing, relocating, and rehabilitating replacement housing;

“(B) rehabilitating, remanufacturing or overhauling rail rolling stock and facilities used primarily in intercity passenger rail service;

“(C) costs associated with developing State rail plans; and

“(D) the first-dollar liability costs for insurance related to the provision of intercity passenger rail service under section 24404.

“(3) INTERCITY PASSENGER RAIL SERVICE.—The term ‘intercity passenger rail service’ means transportation services with the pri-

mary purpose of passenger transportation between towns, cities and metropolitan areas by rail, including high-speed rail, as defined in section 24102 of title 49, United States Code.

**“§ 24402. Capital investment grants to support intercity passenger rail service**

“(a) GENERAL AUTHORITY.—

“(1) The Secretary of Transportation may make grants under this section to an applicant to assist in financing the capital costs of facilities, infrastructure, and equipment necessary to provide or improve intercity passenger rail transportation.

“(2) The Secretary shall require that a grant under this section be subject to the terms, conditions, requirements, and provisions the Secretary decides are necessary or appropriate for the purposes of this section, including requirements for the disposition of net increases in value of real property resulting from the project assisted under this section and shall prescribe procedures and schedules for the awarding of grants under this title, including application and qualification procedures and a record of decision on applicant eligibility. The Secretary shall issue a final rule establishing such procedures not later than 90 days after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007.

“(b) PROJECT AS PART OF STATE RAIL PLAN.—

“(1) The Secretary may not approve a grant for a project under this section unless the Secretary finds that the project is part of a State rail plan developed under chapter 225 of this title, or under the plan required by section 203 of the Passenger Rail Investment and Improvement Act of 2007, and that the applicant or recipient has or will have the legal, financial, and technical capacity to carry out the project, satisfactory continuing control over the use of the equipment or facilities, and the capability and willingness to maintain the equipment or facilities.

“(2) An applicant shall provide sufficient information upon which the Secretary can make the findings required by this subsection.

“(3) If an applicant has not selected the proposed operator of its service competitively, the applicant shall provide written justification to the Secretary showing why the proposed operator is the best, taking into account price and other factors, and that use of the proposed operator will not unnecessarily increase the cost of the project.

“(c) PROJECT SELECTION CRITERIA.—The Secretary, in selecting the recipients of financial assistance to be provided under subsection (a), shall—

“(1) require that each proposed project meet all safety and security requirements that are applicable to the project under law;

“(2) give preference to projects with high levels of estimated ridership, increased on-time performance, reduced trip time, additional service frequency to meet anticipated or existing demand, or other significant service enhancements as measured against minimum standards developed under section 208 of the Passenger Rail Investment and Improvement Act of 2007;

“(3) encourage intermodal connectivity through projects that provide direct connections between train stations, airports, bus terminals, subway stations, ferry ports, and other modes of transportation;

“(4) ensure that each project is compatible with, and is operated in conformance with—

“(A) plans developed pursuant to the requirements of section 135 of title 23, United States Code; and

“(B) the national rail plan (if it is available); and

“(5) favor the following kinds of projects:

“(A) Projects that are expected to have a significant favorable impact on air or highway traffic congestion, capacity, or safety.

“(B) Projects that also improve freight or commuter rail operations.

“(C) Projects that have significant environmental benefits, including projects that involve the purchase of environmentally sensitive, fuel-efficient, and cost-effective passenger rail equipment.

“(D) Projects that are—

“(i) at a stage of preparation that all pre-commencement compliance with environmental protection requirements has already been completed; and

“(ii) ready to be commenced.

“(E) Projects with positive economic and employment impacts.

“(F) Projects that encourage the use of positive train control technologies.

“(G) Projects that have commitments of funding from non-Federal Government sources in a total amount that exceeds the minimum amount of the non-Federal contribution required for the project.

“(H) Projects that involve donated property interests or services.

“(I) Projects that are identified by the Surface Transportation Board as necessary to improve the on time performance and reliability of intercity passenger rail under section 24308(f).

“(J) Projects described in section 5302(a)(1)(G) of this title that are designed to support intercity passenger rail service.

“(d) AMTRAK ELIGIBILITY.—To receive a grant under this section, the National Railroad Passenger Corporation may enter into a cooperative agreement with 1 or more States to carry out 1 or more projects on a State rail plan's ranked list of rail capital projects developed under section 22504(a)(5) of this title.

“(e) LETTERS OF INTENT, FULL FUNDING GRANT AGREEMENTS, AND EARLY SYSTEMS WORK AGREEMENTS.—

“(1)(A) The Secretary may issue a letter of intent to an applicant announcing an intention to obligate, for a major capital project under this section, an amount from future available budget authority specified in law that is not more than the amount stipulated as the financial participation of the Secretary in the project.

“(B) At least 30 days before issuing a letter under subparagraph (A) of this paragraph or entering into a full funding grant agreement, the Secretary shall notify in writing the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate and the House and Senate Committees on Appropriations of the proposed letter or agreement. The Secretary shall include with the notification a copy of the proposed letter or agreement as well as the evaluations and ratings for the project.

“(C) An obligation or administrative commitment may be made only when amounts are appropriated.

“(2)(A) The Secretary may make a full funding grant agreement with an applicant. The agreement shall—

“(i) establish the terms of participation by the United States Government in a project under this section;

“(ii) establish the maximum amount of Government financial assistance for the project;

“(iii) cover the period of time for completing the project, including a period extending beyond the period of an authorization; and

“(iv) make timely and efficient management of the project easier according to the law of the United States.

“(B) An agreement under this paragraph obligates an amount of available budget authority specified in law and may include a commitment, contingent on amounts to be specified in law in advance for commitments under this paragraph, to obligate an additional amount from future available budget authority specified in law. The agreement shall state that the contingent commitment is not an obligation of the Government and is subject to the availability of appropriations made by Federal law and to Federal laws in force on or enacted after the date of the contingent commitment. Interest and other financing costs of efficiently carrying out a part of the project within a reasonable time are a cost of carrying out the project under a full funding grant agreement, except that eligible costs may not be more than the cost of the most favorable financing terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a way satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financing terms.

“(3)(A) The Secretary may make an early systems work agreement with an applicant if a record of decision under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) has been issued on the project and the Secretary finds there is reason to believe—

“(i) a full funding grant agreement for the project will be made; and

“(ii) the terms of the work agreement will promote ultimate completion of the project more rapidly and at less cost.

“(B) A work agreement under this paragraph obligates an amount of available budget authority specified in law and shall provide for reimbursement of preliminary costs of carrying out the project, including land acquisition, timely procurement of system elements for which specifications are decided, and other activities the Secretary decides are appropriate to make efficient, long-term project management easier. A work agreement shall cover the period of time the Secretary considers appropriate. The period may extend beyond the period of current authorization. Interest and other financing costs of efficiently carrying out the work agreement within a reasonable time are a cost of carrying out the agreement, except that eligible costs may not be more than the cost of the most favorable financing terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a way satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financing terms. If an applicant does not carry out the project for reasons within the control of the applicant, the applicant shall repay all Government payments made under the work agreement plus reasonable interest and penalty charges the Secretary establishes in the agreement.

“(4) The total estimated amount of future obligations of the Government and contingent commitments to incur obligations covered by all outstanding letters of intent, full funding grant agreements, and early systems work agreements may be not more than the amount authorized under section 101(c) of Passenger Rail Investment and Improvement Act of 2007, less an amount the Secretary reasonably estimates is necessary for grants under this section not covered by a letter. The total amount covered by new letters and contingent commitments included in full funding grant agreements and early systems work agreements may be not more than a limitation specified in law.

“(f) FEDERAL SHARE OF NET PROJECT COST.—

“(1)(A) Based on engineering studies, studies of economic feasibility, and information on the expected use of equipment or facilities, the Secretary shall estimate the net project cost.

“(B) A grant for the project shall not exceed 80 percent of the project net capital cost.

“(C) The Secretary shall give priority in allocating future obligations and contingent commitments to incur obligations to grant requests seeking a lower Federal share of the project net capital cost.

“(2) Up to an additional 20 percent of the required non-Federal funds may be funded from amounts appropriated to or made available to a department or agency of the Federal Government that are eligible to be expended for transportation.

“(3) 50 percent of the average amounts expended by a State or group of States (including the District of Columbia) for capital projects to benefit intercity passenger rail service and operating costs of up to \$5,000,000 per fiscal year of such service in fiscal years 2003, 2004, 2005, and 2006 shall be credited towards the matching requirements for grants awarded in fiscal years 2007, 2008, and 2009 under this section. The Secretary may require such information as necessary to verify such expenditures.

“(4) 50 percent of the average amounts expended by a State or group of States (including the District of Columbia) in a fiscal year, beginning in fiscal year 2007, for capital projects to benefit intercity passenger rail service or for the operating costs of such service above the average capital and operating expenditures made for such service in fiscal years 2004, 2005, and 2006 shall be credited towards the matching requirements for grants awarded under this section. The Secretary may require such information as necessary to verify such expenditures.

“(g) UNDERTAKING PROJECTS IN ADVANCE.—

“(1) The Secretary may pay the Federal share of the net capital project cost to an applicant that carries out any part of a project described in this section according to all applicable procedures and requirements if—

“(A) the applicant applies for the payment;

“(B) the Secretary approves the payment; and

“(C) before carrying out the part of the project, the Secretary approves the plans and specifications for the part in the same way as other projects under this section.

“(2) The cost of carrying out part of a project includes the amount of interest earned and payable on bonds issued by the applicant to the extent proceeds of the bonds are expended in carrying out the part. However, the amount of interest under this paragraph may not be more than the most favorable interest terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a manner satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financial terms.

“(3) The Secretary shall consider changes in capital project cost indices when determining the estimated cost under paragraph (2) of this subsection.

“(h) 2-YEAR AVAILABILITY.—Funds appropriated under this section shall remain available until expended. If any amount provided as a grant under this section is not obligated or expended for the purposes described in subsection (a) within 2 years after the date on which the State received the grant, such sums shall be returned to the Secretary for other intercity passenger rail development projects under this section at the discretion of the Secretary.

“(i) PUBLIC-PRIVATE PARTNERSHIPS.—

“(1) IN GENERAL.—A metropolitan planning organization, State transportation department, or other project sponsor may enter into an agreement with any public, private, or nonprofit entity to cooperatively implement any project funded with a grant under this title.

“(2) FORMS OF PARTICIPATION.—Participation by an entity under paragraph (1) may consist of—

“(A) ownership or operation of any land, facility, locomotive, rail car, vehicle, or other physical asset associated with the project;

“(B) cost-sharing of any project expense;

“(C) carrying out administration, construction management, project management, project operation, or any other management or operational duty associated with the project; and

“(D) any other form of participation approved by the Secretary.

“(3) SUB-ALLOCATION.—A State may allocate funds under this section to any entity described in paragraph (1).

“(j) SPECIAL TRANSPORTATION CIRCUMSTANCES.—In carrying out this section, the Secretary shall allocate an appropriate portion of the amounts available under this section to provide grants to States—

“(1) in which there is no intercity passenger rail service for the purpose of funding freight rail capital projects that are on a State rail plan developed under chapter 225 of this title that provide public benefits (as defined in chapter 225) as determined by the Secretary; or

“(2) in which the rail transportation system is not physically connected to rail systems in the continental United States or may not otherwise qualify for a grant under this section due to the unique characteristics of the geography of that State or other relevant considerations, for the purpose of funding transportation-related capital projects.

“(k) SMALL CAPITAL PROJECTS.—The Secretary shall make available \$10,000,000 annually from the amounts authorized under section 101(c) of the Passenger Rail Investment and Improvement Act of 2007 beginning in fiscal year 2008 for grants for capital projects eligible under this section not exceeding \$2,000,000, including costs eligible under section 206(c) of that Act. The Secretary may waive requirements of this section, including state rail plan requirements, as appropriate.

#### “§ 24403. Project management oversight

“(a) PROJECT MANAGEMENT PLAN REQUIREMENTS.—To receive Federal financial assistance for a major capital project under this subchapter, an applicant must prepare and carry out a project management plan approved by the Secretary of Transportation. The plan shall provide for—

“(1) adequate recipient staff organization with well-defined reporting relationships, statements of functional responsibilities, job descriptions, and job qualifications;

“(2) a budget covering the project management organization, appropriate consultants, property acquisition, utility relocation, systems demonstration staff, audits, and miscellaneous payments the recipient may be prepared to justify;

“(3) a construction schedule for the project;

“(4) a document control procedure and recordkeeping system;

“(5) a change order procedure that includes a documented, systematic approach to handling the construction change orders;

“(6) organizational structures, management skills, and staffing levels required throughout the construction phase;

“(7) quality control and quality assurance functions, procedures, and responsibilities

for construction, system installation, and integration of system components;

“(8) material testing policies and procedures;

“(9) internal plan implementation and reporting requirements;

“(10) criteria and procedures to be used for testing the operational system or its major components;

“(11) periodic updates of the plan, especially related to project budget and project schedule, financing, and ridership estimates; and

“(12) the recipient’s commitment to submit a project budget and project schedule to the Secretary each month.

“(b) SECRETARIAL OVERSIGHT.—

“(1) The Secretary may use no more than 0.5 percent of amounts made available in a fiscal year for capital projects under this subchapter to enter into contracts to oversee the construction of such projects.

“(2) The Secretary may use amounts available under paragraph (1) of this subsection to make contracts for safety, procurement, management, and financial compliance reviews and audits of a recipient of amounts under paragraph (1).

“(3) The Federal Government shall pay the entire cost of carrying out a contract under this subsection.

“(c) ACCESS TO SITES AND RECORDS.—Each recipient of assistance under this subchapter shall provide the Secretary and a contractor the Secretary chooses under subsection (c) of this section with access to the construction sites and records of the recipient when reasonably necessary.

#### “§ 24404. Use of capital grants to finance first-dollar liability of grant project

“Notwithstanding the requirements of section 24402 of this subchapter, the Secretary of Transportation may approve the use of capital assistance under this subchapter to fund self-insured retention of risk for the first tier of liability insurance coverage for rail passenger service associated with the capital assistance grant, but the coverage may not exceed \$20,000,000 per occurrence or \$20,000,000 in aggregate per year.

#### “§ 24405. Grant conditions

“(a) DOMESTIC BUYING PREFERENCE.—

“(1) REQUIREMENT.—

“(A) IN GENERAL.—In carrying out a project funded in whole or in part with a grant under this title, the grant recipient shall purchase only—

“(i) unmanufactured articles, material, and supplies mined or produced in the United States; or

“(ii) manufactured articles, material, and supplies manufactured in the United States substantially from articles, material, and supplies mined, produced, or manufactured in the United States.

“(B) DE MINIMIS AMOUNT.—Subparagraph (1) applies only to a purchase in an total amount that is not less than \$1,000,000.

“(2) EXEMPTIONS.—On application of a recipient, the Secretary may exempt a recipient from the requirements of this subsection if the Secretary decides that, for particular articles, material, or supplies—

“(A) such requirements are inconsistent with the public interest;

“(B) the cost of imposing the requirements is unreasonable; or

“(C) the articles, material, or supplies, or the articles, material, or supplies from which they are manufactured, are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and are not of a satisfactory quality.

“(3) UNITED STATES DEFINED.—In this subsection, the term ‘the United States’ means the States, territories, and possessions of the United States and the District of Columbia.

“(b) OPERATORS DEEMED RAIL CARRIERS AND EMPLOYERS FOR CERTAIN PURPOSES.—A person that conducts rail operations over rail infrastructure constructed or improved with funding provided in whole or in part in a grant made under this title shall be considered a rail carrier as defined in section 10102(5) of this title for purposes of this title and any other statute that adopts the that definition or in which that definition applies, including—

“(1) the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.);

“(2) the Railway Labor Act (43 U.S.C. 151 et seq.); and

“(3) the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.).

“(c) GRANT CONDITIONS.—The Secretary shall require as a condition of making any grant under this title for a project that uses rights-of-way owned by a railroad that—

“(1) a written agreement exist between the applicant and the railroad regarding such use and ownership, including—

“(A) any compensation for such use;

“(B) assurances regarding the adequacy of infrastructure capacity to accommodate both existing and future freight and passenger operations;

“(C) an assurance by the railroad that collective bargaining agreements with the railroad’s employees (including terms regulating the contracting of work) will remain in full force and effect according to their terms for work performed by the railroad on the railroad transportation corridor; and

“(D) an assurance that an applicant complies with liability requirements consistent with section 28103 of this title; and

“(2) the applicant agrees to comply with—

“(A) the standards of section 24312 of this title, as such section was in effect on September 1, 2003, with respect to the project in the same manner that the National Railroad Passenger Corporation is required to comply with those standards for construction work financed under an agreement made under section 24308(a) of this title; and

“(B) the protective arrangements established under section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 836) with respect to employees affected by actions taken in connection with the project to be financed in whole or in part by grants under this subchapter.

“(d) REPLACEMENT OF EXISTING INTERCITY PASSENGER RAIL SERVICE.—

“(1) COLLECTIVE BARGAINING AGREEMENT FOR INTERCITY PASSENGER RAIL PROJECTS.—Any entity providing intercity passenger railroad transportation that begins operations after the date of enactment of this Act on a project funded in whole or in part by grants made under this title and replaces intercity rail passenger service that was provided by Amtrak, unless such service was provided solely by Amtrak to another entity, as of such date shall enter into an agreement with the authorized bargaining agent or agents for adversely affected employees of the predecessor provider that—

“(A) gives each such qualified employee of the predecessor provider priority in hiring according to the employee’s seniority on the predecessor provider for each position with the replacing entity that is in the employee’s craft or class and is available within 3 years after the termination of the service being replaced;

“(B) establishes a procedure for notifying such an employee of such positions;

“(C) establishes a procedure for such an employee to apply for such positions; and

“(D) establishes rates of pay, rules, and working conditions.

“(2) IMMEDIATE REPLACEMENT SERVICE.—

“(A) NEGOTIATIONS.—If the replacement of preexisting intercity rail passenger service

occurs concurrent with or within a reasonable time before the commencement of the replacing entity's rail passenger service, the replacing entity shall give written notice of its plan to replace existing rail passenger service to the authorized collective bargaining agent or agents for the potentially adversely affected employees of the predecessor provider at least 90 days before the date on which it plans to commence service. Within 5 days after the date of receipt of such written notice, negotiations between the replacing entity and the collective bargaining agent or agents for the employees of the predecessor provider shall commence for the purpose of reaching agreement with respect to all matters set forth in subparagraphs (A) through (D) of paragraph (1). The negotiations shall continue for 30 days or until an agreement is reached, whichever is sooner. If at the end of 30 days the parties have not entered into an agreement with respect to all such matters, the unresolved issues shall be submitted for arbitration in accordance with the procedure set forth in subparagraph (B).

“(B) ARBITRATION.—If an agreement has not been entered into with respect to all matters set forth in subparagraphs (A) through (D) of paragraph (1) as described in subparagraph (A) of this paragraph, the parties shall select an arbitrator. If the parties are unable to agree upon the selection of such arbitrator within 5 days, either or both parties shall notify the National Mediation Board, which shall provide a list of seven arbitrators with experience in arbitrating rail labor protection disputes. Within 5 days after such notification, the parties shall alternately strike names from the list until only 1 name remains, and that person shall serve as the neutral arbitrator. Within 45 days after selection of the arbitrator, the arbitrator shall conduct a hearing on the dispute and shall render a decision with respect to the unresolved issues among the matters set forth in subparagraphs (A) through (D) of paragraph (1). This decision shall be final, binding, and conclusive upon the parties. The salary and expenses of the arbitrator shall be borne equally by the parties; all other expenses shall be paid by the party incurring them.

“(3) SERVICE COMMENCEMENT.—A replacing entity under this subsection shall commence service only after an agreement is entered into with respect to the matters set forth in subparagraphs (A) through (D) of paragraph (1) or the decision of the arbitrator has been rendered.

“(4) SUBSEQUENT REPLACEMENT OF SERVICE.—If the replacement of existing rail passenger service takes place within 3 years after the replacing entity commences intercity passenger rail service, the replacing entity and the collective bargaining agent or agents for the adversely affected employees of the predecessor provider shall enter into an agreement with respect to the matters set forth in subparagraphs (A) through (D) of paragraph (1). If the parties have not entered into an agreement with respect to all such matters within 60 days after the date on which the replacing entity replaces the predecessor provider, the parties shall select an arbitrator using the procedures set forth in paragraph (2)(B), who shall, within 20 days after the commencement of the arbitration, conduct a hearing and decide all unresolved issues. This decision shall be final, binding, and conclusive upon the parties.

“(e) INAPPLICABILITY TO CERTAIN RAIL OPERATIONS.— Nothing in this section applies to—

“(1) commuter rail passenger transportation (as defined in section 24102(4) of this title) operations of a State or local government authority (as those terms are defined

in section 5302(11) and (6), respectively, of this title) eligible to receive financial assistance under section 5307 of this title, or to its contractor performing services in connection with commuter rail passenger operations (as so defined);

“(2) the Alaska Railroad or its contractors; or

“(3) the National Railroad Passenger Corporation's access rights to railroad rights of way and facilities under current law.”

(b) CONFORMING AMENDMENTS.—

(1) The table of chapters for the title is amended by inserting the following after the item relating to chapter 243:

“244. Intercity passenger rail service capital assistance ..... 24401”.

“(2) The chapter analysis for subtitle V is amended by inserting the following after the item relating to chapter 243:

“244. Intercity passenger rail service capital assistance ..... 24401”.

#### SEC. 302. STATE RAIL PLANS.

(a) IN GENERAL.—Part B of subtitle V is amended by adding at the end the following:

##### “CHAPTER 225. STATE RAIL PLANS AND HIGH PRIORITY PROJECTS

“Sec.

“22501. Definitions.

“22502. Authority.

“22503. Purposes.

“22504. Transparency; coordination; review.

“22505. Content.

“22506. Review.

##### “§ 22501. Definitions

“In this subchapter:

“(1) PRIVATE BENEFIT.—

“(A) IN GENERAL.—The term ‘private benefit’—

“(i) means a benefit accrued to a person or private entity, other than the National Railroad Passenger Corporation, that directly improves the economic and competitive condition of that person or entity through improved assets, cost reductions, service improvements, or any other means as defined by the Secretary; and

“(ii) shall be determined on a project-by-project basis, based upon an agreement between the parties.

“(B) CONSULTATION.—The Secretary may seek the advice of the States and rail carriers in further defining this term.

“(2) PUBLIC BENEFIT.—

“(A) IN GENERAL.—The term ‘public benefit’—

“(i) means a benefit accrued to the public in the form of enhanced mobility of people or goods, environmental protection or enhancement, congestion mitigation, enhanced trade and economic development, improved air quality or land use, more efficient energy use, enhanced public safety or security, reduction of public expenditures due to improved transportation efficiency or infrastructure preservation, and any other positive community effects as defined by the Secretary; and

“(ii) shall be determined on a project-by-project basis, based upon an agreement between the parties.

“(B) CONSULTATION.—The Secretary may seek the advice of the States and rail carriers in further defining this term.

“(3) STATE.—The term ‘State’ means any of the 50 States and the District of Columbia.

“(4) STATE RAIL TRANSPORTATION AUTHORITY.—The term ‘State rail transportation authority’ means the State agency or official responsible under the direction of the Governor of the State or a State law for preparation, maintenance, coordination, and administration of the State rail plan.”.

##### “§ 22502. Authority

“(a) IN GENERAL.—Each State may prepare and maintain a State rail plan in accordance with the provisions of this subchapter.

“(b) REQUIREMENTS.—For the preparation and periodic revision of a State rail plan, a State shall—

“(1) establish or designate a State rail transportation authority to prepare, maintain, coordinate, and administer the plan;

“(2) establish or designate a State rail plan approval authority to approve the plan;

“(3) submit the State's approved plan to the Secretary of Transportation for review; and

“(4) revise and resubmit a State-approved plan no less frequently than once every 5 years for reapproval by the Secretary.

##### “§ 22503. Purposes

“(a) PURPOSES.—The purposes of a State rail plan are as follows:

“(1) To set forth State policy involving freight and passenger rail transportation, including commuter rail operations, in the State.

“(2) To establish the period covered by the State rail plan.

“(3) To present priorities and strategies to enhance rail service in the State that benefits the public.

“(4) To serve as the basis for Federal and State rail investments within the State.

“(b) COORDINATION.—A State rail plan shall be coordinated with other State transportation planning goals and programs and set forth rail transportation's role within the State transportation system.

##### “§ 22504. Transparency; coordination; review

“(a) PREPARATION.—A State shall provide adequate and reasonable notice and opportunity for comment and other input to the public, rail carriers, commuter and transit authorities operating in, or affected by rail operations within the State, units of local government, and other interested parties in the preparation and review of its State rail plan.

“(b) INTERGOVERNMENTAL COORDINATION.—A State shall review the freight and passenger rail service activities and initiatives by regional planning agencies, regional transportation authorities, and municipalities within the State, or in the region in which the State is located, while preparing the plan, and shall include any recommendations made by such agencies, authorities, and municipalities as deemed appropriate by the State.

##### “§ 22505. Content

“(a) IN GENERAL.—Each State rail plan shall contain the following:

“(1) An inventory of the existing overall rail transportation system and rail services and facilities within the State and an analysis of the role of rail transportation within the State's surface transportation system.

“(2) A review of all rail lines within the State, including proposed high speed rail corridors and significant rail line segments not currently in service.

“(3) A statement of the State's passenger rail service objectives, including minimum service levels, for rail transportation routes in the State.

“(4) A general analysis of rail's transportation, economic, and environmental impacts in the State, including congestion mitigation, trade and economic development, air quality, land-use, energy-use, and community impacts.

“(5) A long-range rail investment program for current and future freight and passenger infrastructure in the State that meets the requirements of subsection (b).

“(6) A statement of public financing issues for rail projects and service in the State, including a list of current and prospective public capital and operating funding resources, public subsidies, State taxation, and other financial policies relating to rail infrastructure development.

“(7) An identification of rail infrastructure issues within the State that reflects consultation with all relevant stake holders.

“(8) A review of major passenger and freight intermodal rail connections and facilities within the State, including seaports, and prioritized options to maximize service integration and efficiency between rail and other modes of transportation within the State.

“(9) A review of publicly funded projects within the State to improve rail transportation safety and security, including all major projects funded under section 130 of title 23.

“(10) A performance evaluation of passenger rail services operating in the State, including possible improvements in those services, and a description of strategies to achieve those improvements.

“(11) A compilation of studies and reports on high-speed rail corridor development within the State not included in a previous plan under this subchapter, and a plan for funding any recommended development of such corridors in the State.

“(12) A statement that the State is in compliance with the requirements of section 22102.

“(b) LONG-RANGE SERVICE AND INVESTMENT PROGRAM.—

“(1) PROGRAM CONTENT.—A long-range rail investment program included in a State rail plan under subsection (a)(5) shall include the following matters:

“(A) A list of any rail capital projects expected to be undertaken or supported in whole or in part by the State.

“(B) A detailed funding plan for those projects.

“(2) PROJECT LIST CONTENT.—The list of rail capital projects shall contain—

“(A) a description of the anticipated public and private benefits of each such project; and

“(B) a statement of the correlation between—

“(i) public funding contributions for the projects; and

“(ii) the public benefits.

“(3) CONSIDERATIONS FOR PROJECT LIST.—In preparing the list of freight and intercity passenger rail capital projects, a State rail transportation authority should take into consideration the following matters:

“(A) Contributions made by non-Federal and non-State sources through user fees, matching funds, or other private capital involvement.

“(B) Rail capacity and congestion effects.

“(C) Effects on highway, aviation, and maritime capacity, congestion, or safety.

“(D) Regional balance.

“(E) Environmental impact.

“(F) Economic and employment impacts.

“(G) Projected ridership and other service measures for passenger rail projects.

“§ 22506. Review

The Secretary shall prescribe procedures for States to submit State rail plans for review under this title, including standardized format and data requirements. State rail plans completed before the date of enactment of the Passenger Rail Investment and Improvement Act of 2007 that substantially meet the requirements of this chapter, as determined by the Secretary, shall be deemed by the Secretary to have met the requirements of this chapter”.

(b) CONFORMING AMENDMENTS.—

(1) The table of chapters for the title is amended by inserting the following after the item relating to chapter 223:

“225. State rail plans ..... 22501”.

“(2) The chapter analysis for subtitle V is amended by inserting the following after the item relating to chapter 223:

“225. State rail plans ..... 24401”.

SEC. 303. NEXT GENERATION CORRIDOR TRAIN EQUIPMENT POOL.

(a) IN GENERAL.—Within 180 days after the date of enactment of this Act, Amtrak shall establish a Next Generation Corridor Equipment Pool Committee, comprised of representatives of Amtrak, the Federal Railroad Administration, host freight railroad companies, passenger railroad equipment manufacturers, and other passenger railroad operators as appropriate and interested States. The purpose of the Committee shall be to design, develop specifications for, and procure standardized next-generation corridor equipment.

(b) FUNCTIONS.—The Committee may—

(1) determine the number of different types of equipment required, taking into account variations in operational needs and corridor infrastructure; and

(2) establish a pool of equipment to be used on corridor routes funded by participating States; and

(3) subject to agreements between Amtrak and States, utilize services provided by Amtrak to design, maintain and remanufacture equipment.

(c) COOPERATIVE AGREEMENTS.—Amtrak and States participating in the Committee may enter into agreements for the funding, procurement, remanufacture, ownership and management of corridor equipment, including equipment currently owned or leased by Amtrak and next-generation corridor equipment acquired as a result of the Committee’s actions, and may establish a corporation, which may be owned or jointly-owned by Amtrak, participating States or other entities, to perform these functions.

(d) FUNDING.—In addition to the authorization provided in section 105 of this Act, capital projects to carry out the purposes of this section shall be eligible for grants made pursuant to chapter 244 of title 49, United States Code.

SEC. 304. FEDERAL RAIL POLICY.

Section 103 is amended—

(1) by inserting “IN GENERAL.—” before “The Federal” in subsection (a);

(2) by striking the second and third sentences of subsection (a);

(3) by inserting “ADMINISTRATOR.—” before “The head” in subsection (b);

(4) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively and by inserting after subsection (b) the following:

“(c) SAFETY.—To carry out all railroad safety laws of the United States, the Administration is divided on a geographical basis into at least 8 safety offices. The Secretary of Transportation is responsible for all acts taken under those laws and for ensuring that the laws are uniformly administered and enforced among the safety offices.”;

(5) by inserting “POWERS AND DUTIES.—” before “The” in subsection (d), as redesignated;

(6) by striking “and” after the semicolon in paragraph (1) of subsection (d), as redesignated;

(7) by redesignating paragraph (2) of subsection (d), as redesignated, as paragraph (3) and inserting after paragraph (1) the following:

“(2) the duties and powers related to railroad policy and development under subsection (e); and”;

(8) by inserting “TRANSFERS OF DUTY.—” before “A duty” in subsection (e), as redesignated;

(9) by inserting “CONTRACTS, GRANTS, LEASES, COOPERATIVE AGREEMENTS, AND SIMILAR TRANSACTIONS.—” before “Subject” in subsection (f), as redesignated;

(10) by striking the last sentence in subsection (f), as redesignated; and

(11) by adding at the end the following:

“(g) ADDITIONAL DUTIES OF THE ADMINISTRATOR.—The Administrator shall—

“(1) provide assistance to States in developing State rail plans prepared under chapter 225 and review all State rail plans submitted under that section;

“(2) develop a long range national rail plan that is consistent with approved State rail plans and the rail needs of the Nation, as determined by the Secretary in order to promote an integrated, cohesive, efficient, and optimized national rail system for the movement of goods and people;

“(3) develop a preliminary national rail plan within a year after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007;

“(4) develop and enhance partnerships with the freight and passenger railroad industry, States, and the public concerning rail development;

“(5) support rail intermodal development and high-speed rail development, including high speed rail planning;

“(6) ensure that programs and initiatives developed under this section benefit the public and work toward achieving regional and national transportation goals; and

“(7) facilitate and coordinate efforts to assist freight and passenger rail carriers, transit agencies and authorities, municipalities, and States in passenger-freight service integration on shared rights of way by providing neutral assistance at the joint request of affected rail service providers and infrastructure owners relating to operations and capacity analysis, capital requirements, operating costs, and other research and planning related to corridors shared by passenger or commuter rail service and freight rail operations.

“(h) PERFORMANCE GOALS AND REPORTS.—

“(1) PERFORMANCE GOALS.—In conjunction with the objectives established and activities undertaken under section 103(e) of this title, the Administrator shall develop a schedule for achieving specific, measurable performance goals.

“(2) RESOURCE NEEDS.—The strategy and annual plans shall include estimates of the funds and staff resources needed to accomplish each goal and the additional duties required under section 103(e).

“(3) SUBMISSION WITH PRESIDENT’S BUDGET.—Beginning with fiscal year 2009 and each fiscal year thereafter, the Secretary shall submit to Congress, at the same time as the President’s budget submission, the Administration’s performance goals and schedule developed under paragraph (1), including an assessment of the progress of the Administration toward achieving its performance goals.”.

SEC. 305. RAIL COOPERATIVE RESEARCH PROGRAM.

(a) ESTABLISHMENT AND CONTENT.—Chapter 249 is amended by adding at the end the following:

“§ 24910. Rail cooperative research program

“(a) IN GENERAL.—The Secretary shall establish and carry out a rail cooperative research program. The program shall—

“(1) address, among other matters, intercity rail passenger and freight rail services, including existing rail passenger and freight technologies and speeds, incrementally enhanced rail systems and infrastructure, and

new high-speed wheel-on-rail systems and rail security;

“(2) address ways to expand the transportation of international trade traffic by rail, enhance the efficiency of intermodal interchange at ports and other intermodal terminals, and increase capacity and availability of rail service for seasonal freight needs;

“(3) consider research on the interconnectedness of commuter rail, passenger rail, freight rail, and other rail networks; and

“(4) give consideration to regional concerns regarding rail passenger and freight transportation, including meeting research needs common to designated high-speed corridors, long-distance rail services, and regional intercity rail corridors, projects, and entities.

“(b) CONTENT.—The program to be carried out under this section shall include research designed—

“(1) to identify the unique aspects and attributes of rail passenger and freight service;

“(2) to develop more accurate models for evaluating the impact of rail passenger and freight service, including the effects on highway and airport and airway congestion, environmental quality, and energy consumption;

“(3) to develop a better understanding of modal choice as it affects rail passenger and freight transportation, including development of better models to predict utilization;

“(4) to recommend priorities for technology demonstration and development;

“(5) to meet additional priorities as determined by the advisory board established under subsection (c), including any recommendations made by the National Research Council;

“(6) to explore improvements in management, financing, and institutional structures;

“(7) to address rail capacity constraints that affect passenger and freight rail service through a wide variety of options, ranging from operating improvements to dedicated new infrastructure, taking into account the impact of such options on operations;

“(8) to improve maintenance, operations, customer service, or other aspects of intercity rail passenger and freight service;

“(9) to recommend objective methodologies for determining intercity passenger rail routes and services, including the establishment of new routes, the elimination of existing routes, and the contraction or expansion of services or frequencies over such routes;

“(10) to review the impact of equipment and operational safety standards on the further development of high speed passenger rail operations connected to or integrated with non-high speed freight or passenger rail operations;

“(11) to recommend any legislative or regulatory changes necessary to foster further development and implementation of high speed passenger rail operations while ensuring the safety of such operations that are connected to or integrated with non-high speed freight or passenger rail operations; and

“(12) to review rail crossing safety improvements, including improvements using new safety technology.

“(c) ADVISORY BOARD.—

“(1) ESTABLISHMENT.—In consultation with the heads of appropriate Federal departments and agencies, the Secretary shall establish an advisory board to recommend research, technology, and technology transfer activities related to rail passenger and freight transportation.

“(2) MEMBERSHIP.—The advisory board shall include—

“(A) representatives of State transportation agencies;

“(B) transportation and environmental economists, scientists, and engineers; and

“(C) representatives of Amtrak, the Alaska Railroad, freight railroads, transit operating agencies, intercity rail passenger agencies, railway labor organizations, and environmental organizations.

“(d) NATIONAL ACADEMY OF SCIENCES.—The Secretary may make grants to, and enter into cooperative agreements with, the National Academy of Sciences to carry out such activities relating to the research, technology, and technology transfer activities described in subsection (b) as the Secretary deems appropriate.”

(b) CLERICAL AMENDMENT.—The chapter analysis for chapter 249 is amended by adding at the end the following:

“24910. Rail cooperative research program.”

**SEC. 306. PASSENGER RAIL SYSTEM COMPARISON STUDY.**

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall complete a study that compares the passenger rail system in the United States with the passenger rail systems in Canada, Germany, Great Britain, and Japan.

(b) ISSUES TO BE STUDIED.—The study conducted under subsection (a) shall include a country-by-country comparison of—

- (1) the development of high speed rail;
- (2) passenger rail operating costs;
- (3) the amount and payment source of rail line construction and maintenance costs;
- (4) the amount and payment source of station construction and maintenance costs;
- (5) passenger rail debt service costs;
- (6) passenger rail labor agreements and associated costs;
- (7) the net profit realized by the major passenger rail service providers in each of the 4 most recent quarters;
- (8) the percentage of the passenger rail system's costs that are paid from general government revenues; and
- (9) the method used by the government to provide the subsidies described in paragraph (8).

(c) REPORT.—Not later than 180 days after the completion of the study under subsection (a), the Comptroller General shall submit a report containing the findings of such study to—

- (1) the Committee on Commerce, Science, and Transportation of the Senate; and
- (2) the Committee on Transportation and Infrastructure of the House of Representatives.

**TITLE IV—MISCELLANEOUS**

**SEC. 401. STRATEGIC PLAN ON EXPANDED CROSS-BORDER PASSENGER RAIL SERVICE DURING THE 2010 OLYMPIC GAMES.**

Not later than one year after the date of the enactment of this Act, Amtrak shall, in consultation with the Secretary of Transportation, the Secretary of Homeland Security, the Washington State Department of Transportation, and the owners of the relevant railroad infrastructure—

(1) develop a strategic plan to facilitate expanded passenger rail service across the international border between the United States and Canada during the 2010 Olympic Games on the Amtrak passenger rail route between Vancouver, British Columbia, Canada, and Eugene, Oregon (commonly known as “Amtrak Cascades”);

(2) develop recommendations for the Department of Homeland Security to process efficiently rail passengers traveling on Amtrak Cascades across such international border during the 2010 Olympic Games; and

(3) submit to Congress a report containing the strategic plan described in paragraph (1) and the recommendations described in paragraph (2).

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I must say how satisfying it is that the Senate has done what America has asked us to do. I can't tell you how involved personally I have been in this for many years. Since my relatively early days in the Senate, going back decades, I have been interested in what we could do to make Amtrak an integral part of the transportation system, to make Amtrak easier and more reliable for the American people. They asked us to do this, to give them relief.

I wish to say to Senator LOTT how much I have appreciated working with him—not only now, but we have done so for a number of years. We have the satisfaction of seeing this bill pass and we hope on its way to becoming law. With 70 votes, this is a clear message about what the representatives of the American people are saying.

I thank Senator LOTT. It has been a pleasure working with him. As I am sure he agrees, I look forward to having more opportunities to do things in a bipartisan nature to help the American people. They asked us for relief and we are giving it to them—relief from traffic congestion, relief from lines at the airports, and relief from planes lined up on the tarmac. Today, the Senate has said to American travelers: You will have another choice, and the choice is passenger rail.

I am pleased to note the wide margin by which the Passenger Rail Investment Improvement Act of 2007 has been approved in the Senate. The bill is going to speed passenger rail service in the United States into the 21st century.

There are many people I wish to thank in addition to my friend and colleague from Mississippi, the minority whip, Senator LOTT, who has had a long-standing commitment to passenger rail service.

I also wish to thank Senator INOUE, chairman of the Senate Committee on Commerce, Science, and Transportation, for giving me the privilege of pursuing and managing this legislation. His confidence has always been appreciated by me.

I thank the majority leader, HARRY REID, for his leadership and decisiveness to work to bring our bill to the floor, and I thank his staff for their support. In particular, the floor staff, including Lula Davis, Marty Paone, Tim Mitchell, and Trisha Engle. On the Republican side, everybody was cooperative. I thank David Schiappa, Laura Dove, and Jodie Hernandez.

I also thank all of our cosponsors of the bill. I particularly wish to focus on Senator CARPER's help and his hard work and constant support for Amtrak, along with all of our cosponsors' dedication and commitment to improving travel in America.



I thank Alex Kummant, the CEO of Amtrak, and his government affairs staff, including Joe McHugh and Caroline Decker.

I thank my staff, of which I am very proud. They are always there, no matter what the hours or the intensity of the work are. They are there with their support, their knowledge and research and their constant concern for making sure we do things right. My staff includes David Matsuda, Dan Katz, Doug Mehan, and Meg Slachetka.

Mr. LOTT. Mr. President, will the Senator yield briefly? I have another commitment off the floor.

Mr. LAUTENBERG. Yes.

Mr. LOTT. Mr. President, I wish to acknowledge the Senator's kind remarks. It was a pleasure working with him on this legislation. It has been a long time coming. I appreciate the active involvement he has had, along with other Senators on both sides of the aisle, including Senator CARPER of Delaware.

There is a long history of trying to get this passed freestanding through the Senate. We have to give credit to our leadership and to Senator REID in particular. He had to make this happen. We tried last year repeatedly to get it freestanding or to get a window to offer it. We never could get it agreed to at that time. Senator REID carved out a pretty big block of time for a Transportation bill. He didn't have to do that. He deserves credit for that.

I also thank my staff, including Anne Marie Turner, who is here with me; Chris Bertram, who has been working with me for years; and Beth Spivey. Our staffs work together great. I am pleased with the Republicans who voted for it and probably all of the Democrats voted for it. I hope the House will act on this expeditiously. This could be a big step in the right direction. I thank my colleagues on both sides of the aisle for their cooperation. I hope we can do more of this sort of thing in the future. I thank the Senator for letting me interrupt his remarks.

Mr. LAUTENBERG. Not at all. I, too, thank Anne Marie Turner of Senator LOTT's staff. She was always there, and I could tell by the expression on her face at a given moment whether we were on the right or wrong track in talking about Amtrak. I also thank Chris Bertram and Beth Spivey of his staff as well.

I thank the staff from the Senate Commerce Committee, including Stephen Gardner, who is always so helpful and has extensive knowledge about transportation. Chairman INOUE was so gracious in making sure we were supported with the assistance of Mr. Gardner. Also, I thank Melissa Porter, who is on loan as a detailee from the Federal Railroad Administration; Shira Bergstein, from Senator INOUE's majority staff; Betsy McDonnell and Dan Neuman, from Senator GORDON SMITH's and Senator STEVENS's Committee minority staff.

Getting legislation passed by this body takes a lot of work, and these folks are to be commended.

Everyone knows our highways are jammed. We don't have to tell them that from here. All they have to think about is what time they get out of work and what time they get home and what time do they have to leave in the morning to get to work on time. In New Jersey, the most densely populated State in the country, we spend 300 hours commuting by car every year. Fifteen percent of that time is wasted sitting in traffic, creating pollution, creating anxiety, anger, frustration, and bigger bills as gas prices go up at the same time.

With more than 220 million vehicles on the road and the population projected to pass the 400 million mark before 2050, congestion will remain a major challenge if cars and trucks remain the dominant mode of travel.

I mentioned earlier in this debate that our population in 1971, when Amtrak was developed as a government corporation, was 200 million. Now, barely 36 years later, we are 300 million. We haven't made much progress in upgrading our rail systems even after our country has grown by 100 million people.

And now we are feeling the effects. Our skies are becoming jammed as more planes take to the air. Last year was the worst year for flight delays since 2000. One in four planes were late.

For travelers who fly, for instance, between Washington and the New York/New Jersey area, a 36-minute flight often becomes 2 or more hours because of delays getting off the ground and, once there, getting off the plane. I once flew up to LaGuardia Airport, and we waited an hour to get to the gate.

The airlines have admitted this and have revised their schedules to reflect that now this 36-minute flight should be expected to take 2 hours: 36 minutes in the air, and the rest of the time admiring the landscape, which is pretty dismal when you see all these planes lined up on the tarmac like cars in traffic.

Between lines of cars on the highways and long lines at the airports, America's travelers need and deserve another choice. The answer is a world-class passenger rail system.

Riding a train saves people money. The national average cost per gallon of gasoline is over \$2.80 a gallon. I have even heard estimates that we will see oil at \$200 a barrel before too long.

When you look at all the benefits to travelers, we see that riding a train can save time, money, and congestion in other modes of transportation.

For instance, rail service often delivers passengers directly to where they need to go, as train stations are more frequently located in city centers. I can tell my colleagues from personal experience, since I rode the train as recently as this morning, that riding the train was a pleasurable experience. It

gave me a chance to read, to communicate, and even nod off for a couple of minutes. It was really a nice way to travel. Passengers can work on laptops, talk on the phone, walk around on the train, and generally be productive.

Riding the train also helps secure our country's future by improving the environment. Amtrak trains are on average 17 percent more fuel efficient than passenger airlines, and 21 percent more fuel efficient than passenger cars, according to the U.S. Department of Energy.

Furthermore, trains produce fewer greenhouse gas emissions than cars, trucks, and planes, and per mile locomotives emit about 50 percent less carbon dioxide than airplanes and still less than automobiles.

Trains also save lives. If there was ever a moment that demonstrated how much America needed a passenger rail system, it was in the wake of 9/11 and Hurricane Katrina. On 9/11, when our airports were shut down, Amtrak was able to get travelers back to their families.

On 9/11, airports were shut down. Amtrak was able to get travelers back to their families. During Hurricane Katrina, trains could have helped evacuate persons from those affected cities if our Government was better prepared to employ them. Trains sat idly by waiting for passengers to come aboard to be taken away from the center of the hurricane, but they could not get to the train. The Government wasn't there to lend a hand.

There is great enthusiasm for passenger rail service in America. Amtrak's record ridership of 26 million passengers last year can attest to that fact. The potential of new railcars in our country is enormous. Efficient rail service between Chicago and other Midwest cities, such as St. Louis, Detroit, and Cleveland would revolutionize the way people travel in an entire vital region of our country.

Likewise, a proposed passenger rail line serving Atlanta, Charlotte, Richmond, Washington, and points in between would allow people options besides braving Interstate 95 traffic.

If we foster passenger rail service that is viable, reliable, and comfortable, many will choose rail as an alternative, and Amtrak's record ridership has proven that fact.

Today's action by the Senate is a victory for anyone who is tired of sitting in traffic or waiting in an airport and for people who work so hard to make a living and often live far away from work, far away from their homes. I remember a conversation I had with a man who worked in New York City who bought a house 50 miles away from his job. His thought, he said, for him and his family, in addition to seeing some green space, was that he would save money, he would be able to put his children in a house with some room. Now when I see the same man, he is distraught because of the cost for gasoline. The cost for the time lost in traffic outweighs the advantages he

thought he would have. That is not an uncommon situation.

Mr. President, I thank my colleagues for their support and look forward to completing this legislation in this Congress and getting it signed into law.

I look forward to hearing from our colleague, Senator CARPER from Delaware, who worked so hard and has for many years. He is a frequent user, as they say of Amtrak, that is. We appreciate his hard work and the opportunity we shared to work together to get this legislation considered and passed today in the Senate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, while Senator LAUTENBERG is still on the floor, I wish to express my thanks and the thanks of my constituents in Delaware to him and Senator LOTT for the partnership they forged in bringing us to the reauthorization victory we celebrate this afternoon.

Stephen Gardner is still on the floor. Stephen was a member of my personal staff when I was first elected to the Senate. He is succeeded by Beth Osborne. We have a great working relationship with him. He has great talent. He is someone who has not just been in Washington and the Senate, but he worked for railroads in the past, including Amtrak. Given his experience, he was invaluable in providing guidance and support in this process.

I wish to speak briefly, and then I am going to make a unanimous consent request that we go into morning business so that Senator ALEXANDER and I may engage in a colloquy on another matter.

Let me say this: I have come from a meeting at the other end of the Capitol, that may still be going on, that started around 2 o'clock. I stayed for almost an hour and a half. The meeting involved members of organized labor and several leaders in the House of Representatives who have jurisdiction, Democrat and Republican, over infrastructure and passenger rail. The meeting was driven in part because of the threat of a potential work stoppage on our passenger rail system. It turns out that most Amtrak employees, hourly workers who work in the shops and work on the trains, have not had a pay raise in about 7 or 8 years.

That is not a good situation. In fact, I think it is a grossly unfair situation and very much a sad situation for them and for their families.

My hope, and part of my encouragement and support for this legislation, is that I think it provides a roadmap for going forward with passenger rail service in this country in the 21st century. We need a roadmap.

Senator LAUTENBERG and others have spoken as to why we need to do things differently—congestion on our highways and in our airports, in the skies, enormous reliance on foreign oil, too much bad stuff going into our air. There are all kinds of reasons people

are beginning to ride trains more and more and why we need to provide supporting leadership at the Federal level, at the same time entering into partnership with State and local governments.

The beauty behind this legislation is that the Federal Government says we are going to take charge and upgrade the Northeast corridor, bring it to a state of good repair. In doing that, we unleash the potential in the Northeast corridor, including bringing in the more expensive high-speed Acela train which I helped create as a member of the Amtrak board when I was Governor of Delaware, to the extent we can just let them run at 100 miles an hour, 110, maybe something close to 150 miles an hour. Their ontime performance is up to 90 percent, and we would like to make it higher so we can fill up the seats on the Acela. We are close to doing that. They can be a cash cow in generating revenues we need to support other passenger rail service in the Northeast corridor and in other parts of the country.

One of the good provisions in this legislation is bringing the Northeast corridor into a state of good repair and authorizing money to be spent for that purpose, for capital improvement. Amtrak for years has been starved for capital. Along with providing pay raises for the employees, that is first and foremost what we need to do.

A second major change in this legislation, for areas outside the corridor, whether it is Tennessee or Colorado, in places where we have densely populated corridors, where the State and local governments would actually like to have high-speed or higher speed rail and run trains, maybe just for 200 miles or 300 miles, and provide better service such as they are doing out of Chicago and out of the west coast where ridership is up 10, 20, 30, even 40 percent—States are involved in that partnership with the Federal Government.

This legislation says if a Governor of a State—Senator ALEXANDER and I are former Governors. When we were Governors, if we wanted to enter into an agreement with the Federal Government to build a new road or highway, the Federal Government would provide 80 percent. If we wanted to get improvements to our airports, the Federal Government provided 80 percent of the money and the State provide 20 percent. If we wanted improvements with respect to transit service, the Federal Government would provide 50 percent, and the State would provide half.

But a better solution, a more cost-effective solution, happens to be intercity passenger rail, and the Federal Government provided zero and the State had to provide all the money. Even if intercity passenger rail was a smarter solution, it received no support from the Federal Government. This bill changes that situation. It puts passenger rail funding on the same level as airports and the same level as roads, highways, and bridges.

It makes a whole lot of sense. If States believe they would rather spend their 20 percent on airports, roads, highways, or bridges, they can do that. But if they think rail makes sense as part of the solution, they can do that as well with the same kind of incentive. That is good.

There are a bunch of long-distance trains that don't make money; they lose money, quite a bit of money. We have 16 long-distance trains in this country. We direct the Federal Railroad Administration to take five of those long-distance trains next year, five the year after that, and five the year after that and scrub them, look at them, look at what they are doing well and what they are doing badly and what we need to do to reduce the amount of money we are spending to provide passenger rail service in those areas.

I don't want to run trains if people don't want to ride them. That is not what we should be about. The real secret to doing well with passenger rail in this country and, frankly, other countries is to find those densely populated corridors. There are a lot of them. A lot are along the coast. Over half the people in our country live within 50 miles of one of our coasts. We have corridors up and down the east coast from Maine to Florida, the gulf coast, the west coast from San Diego up to the Canadian border, up to Vancouver, in fact.

Passenger rail can do a lot to help us there, particularly 300-, 400-mile routes. People would just as soon ride a train on the Northeast corridor than to drive or take an airplane.

Another thing that makes sense is these corridors in our country, such as Chicago to St. Louis—that is a great corridor and there are others like that corridor in other parts of the country where passenger rail can be part of the solution. Those are the kinds of things we wanted to work on, to build.

Finally, some are interested in competition for freight rail. If they want to come in and run passenger rail service, under this legislation they can compete if they want to. They are not barred from competing. They have the opportunity to do that as well, and the legislation encourages that kind of competition.

I will close with this comment. My hope is that the reauthorizing legislation we passed today will be warmly received in the House. I think it will be. I am encouraged that it will be.

Second, I hope it demonstrates to our colleagues, Republicans and Democrats, House and Senate, that we are not going to be business as usual at Amtrak. There is a new day and, frankly, a better business strategy going forward. My hope is that confidence will be reflected in greater appropriations bills, in the House and in the Senate, so Amtrak cannot only make the kinds of investments in infrastructure for Amtrak—rail, overhead wires, signaling systems, rolling stock—but also

to say to these folks who haven't had a pay raise in the last 7 years or so: We are going to address that inequity too.

My hope is we can do all those, and the passage of this legislation will help us in that direction, plus reduce a little bit of our dependence on foreign oil, plus reduce the emission of bad stuff into our air, reduce congestion at our airports and in our skies and on our highways.

If we do all that we ought to declare victory. The thing I love most about what happened here this week and last week on this bill is Democrats and Republicans did it together; we actually worked together and I applaud the efforts of Senator LAUTENBERG and Senator LOTT and I especially wish to say thanks to our leader, Senator REID, for making time on the schedule for us to have this debate, to follow through on it; and my colleagues on both sides who participated in the debate and offered reasonable amendments, some of which were adopted. This place actually functioned the way I think people of this country expect us to.

#### MORNING BUSINESS

Mr. CARPER. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### INTERNET TAX MORATORIUM

Mr. CARPER. I further ask unanimous consent that Senator ALEXANDER and I be allowed to participate in a colloquy for 10 minutes apiece, up to 10 minutes apiece for a total of up to 20 minutes. I think what I would like to do initially is yield, if I could, to Senator ALEXANDER for his comments and whatever he would like to say.

While he comes to his feet to speak first, let me say, I think the people in the country want us to work together. We have Democrats, we have Republicans, we have Independents in this country, and we realize we are not going to agree on everything. People realize that, but when we can agree, they want us to do that. They want us to use common sense, take the opportunity to work across the aisle and make sure that common sense is reflected, whether it is passenger rail service or the interest or noninterest in providing people protection from having their Internet access taxed, their e-mail traffic taxed, their instant messaging taxed.

I have had the great privilege of working with Senator ALEXANDER for 3 or 4 years—in some cases maybe longer than we would like to remember—on the issue of tax moratorium, but he has been a great partner, and I especially want to thank him for letting me be his partner and say to Senator ENZI of Wyoming and Senator VOINOVICH of

Ohio, both former mayors, Senator FEINSTEIN—a former mayor herself—Senator DORGAN, former revenue director for the State of North Dakota, and Senator ROCKEFELLER, a former Governor of West Virginia, all of whom worked together as a team to try to bring us to this day, to where we are today, the House has adopted legislation we passed last year, providing for a 7-year extension of the Internet tax moratorium.

Let me say to Senator ALEXANDER what a real privilege it is for me to have an chance to work with you on all kinds of issues, including this one. I thank you for that opportunity.

The PRESIDING OFFICER. Without objection, the Senators from Tennessee and Delaware may engage in a colloquy.

The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, I thank the Senator from Delaware. He has provided extraordinary leadership as a former chairman of the National Governors Association on the legislation that was passed. Let me be specific about what has been done.

Last Thursday, the Senate worked out a compromise and passed legislation to extend for 7 more years the moratorium on the taxation of access to the Internet. That was called the Sununu-Carper amendment, the Senator from New Hampshire and the Senator from Delaware. It was an amendment to the 4-year extension that the House of Representatives passed on October 16 by a vote of 405 to 2. I was glad to be a cosponsor of the Sununu-Carper amendment. Hopefully, the House will vote on that legislation today, if it has not already, so the President can sign it into law before the moratorium expires on November 1, which is this Thursday.

At the invitation of the Senator from Delaware, let me try to put this accomplishment into a little larger perspective. Above the Senator from Colorado, who is the Presiding Officer, is a few words that have been our country's national motto, "E Pluribus Unum," one from many.

How do we make this country one from many? Not by race or not by descent but because we agree on a few principles. We have a common language, and we have a common history.

A very wise professor, Samuel P. Huntington, at Harvard, who was a former President of the American Political Science Association, said:

Much of our politics is about conflicts between principles with which all of us agree.

For example, if we were debating immigration, we might say "equal opportunity" on the one hand, "rule of law" on the other. We all agree with both principles, but they conflict so we have an argument. That is what happened with the question of whether the Federal Government should pass a law to extend a moratorium that says States, cities, and counties cannot tax access to the Internet.

On the one hand, if you have been a Governor, as Senator CARPER and I have been, nothing makes you madder than for Members of Congress to stand up with a big idea and say let's put this into law; let's take credit for it and send the bill to the Governors, to the States and cities and the counties—because usually we find that Senator or Congressman back home in our States making a big speech about local control at the next Lincoln Day or Jackson or Jefferson Day dinner.

That is the principle of federalism on the one side: No more unfunded Federal mandates, is what we Republicans like to say. In fact, a whole bunch of Republicans, including Newt Gingrich, stood up on the U.S. Capitol steps in 1994 and said: No more unfunded mandates. If we break our promise, throw us out. The New Republican Congress passed a law in 1995, S. 1 it was called, no more unfunded mandates, that is the law of the land. If Congress wants to order States and local governments to do it, Congress should pay for it.

That was the principle of federalism. But on the other hand, we had the principle of—let's say *laissez faire*, for lack of a better word. If you have been in business or helped to start a business, as I also have, you want as little taxation as possible and as much certainty as possible. As the Internet grows and develops, from the very beginning, it was thought it ought to be as free as possible from multiple regulations and taxes from State and local governments. So that produced the kind of debate that often comes to the floor of the Senate, those saying on the one hand: Wait a minute, let's leave the Internet alone. Let's let it grow. Let's keep the State and local governments from taxing it, or at least from taxing access to it. And on the other hand, the States, the Governors and the mayors and the city councilmen—many of us have been in those positions before—saying: Wait a minute, it is not the job of Congress to say to Colorado or Delaware or Tennessee: You must have this service or you can't tax food or you can't tax income or you can't put a sales tax on Internet access.

In 2003 and 2004, we had a huge debate about the last extension of the Internet access tax moratorium and came to a conclusion. At that time, Senator CARPER and I asked the industry, the companies, to sit down with the National Governors Association, the National Conference of Mayors, the National Association of Counties and take these principles—federalism on the one side, *laissez faire* on the other—and suggest to us some ways we could craft legislation that recognized we all agree with both principles. We need to find a way to put the principles together. That is what this compromise did.

I will let the Senator from Delaware explain a little more about the details of it, but if he doesn't mind, I will go ahead a few more minutes and give a couple of examples of why the compromise is a good idea. Fundamentally,